

# Social Security Bulletin

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## SOCIAL SECURITY IN REVIEW

WITH JANUARY, monthly benefits under the Federal old-age and survivors insurance program became payable to qualified workers, aged wives and young children of beneficiaries, and survivors of insured workers who die after 1939. Benefit checks for the first month were mailed by January 31. The trends anticipated for claims in 1940 are discussed on pages 75-78 of this issue.

As monthly benefit-payment operations were inaugurated in January, further steps were taken in the completion of plans and procedures necessary to certain special phases of administration. Basic provisions for the hearing and review of appeals by claimants under the old-age and survivors insurance system were adopted by the Social Security Board during the month. The statement of procedures approved by the Board not only prescribes the administrative organization through which appeals and hearings will be handled, but outlines some of the legal considerations and administrative problems underlying the provisions. The procedures adopted provide for the establishment of a central reviewing authority, or Appeals Council of the Board, outside the Bureau of Old-Age and Survivors Insurance, to direct the work of a staff of referees, review their decisions, and formulate suitable procedural regulations and instructions.

First steps were also taken during January to develop procedures for effecting payments to beneficiaries under the old-age and survivors insurance system who reside abroad. At the request of the Social Security Board, the Department of State has issued instructions to all diplomatic and consular officers of the United States, informing them that checks for beneficiaries in non-English-speaking countries will be mailed to them for delivery. Checks will be delivered by these officers only upon satisfactory identification of the payee; formal receipts will be required. Checks will be mailed directly to

insurance beneficiaries in the English-speaking countries.

UNEMPLOYMENT BENEFITS in January amounted to nearly \$41 million, more than 34 percent above the total for the preceding month. The total for January was the highest reported for any month since August 1939. The increases, which were general throughout the country, were attributed primarily to increasing unemployment, although many States also stressed, as an important factor, the availability of new wage credits as a basis for benefits upon the inauguration of a new benefit year. Substantial increases were also reported in the volume of continued claims for benefits, which numbered more than 6 million during the month—the largest since May 1939.

Modifications in the statistical reporting requirements which became effective in January of this year are reflected in the data on operations under the employment security program presented in this issue of the Bulletin. This month, for the first time since the initiation of the program, data are available on the number of weeks of unemployment compensated, by type of unemployment. The data indicate that benefits paid during January represented compensation for more than 4 million weeks of unemployment.

Seasonal factors which affected the volume of claims for benefits and amount of benefit payments were also reflected in placement activities of public employment offices. The total of 195,600 placements in private industry during January was nearly 17 percent below the total for December. The decrease was accounted for entirely by a reduction in the number of temporary placements, however, since an increase of 6 percent was reported in the number of regular private placements. The combined total of regular and temporary private placements in January was the largest for that month in the history of the em-

ployment service and was more than 50 percent above the total for January 1939.

Applications for work received through public employment offices increased by more than 23 percent over the number in December, to a total of almost 1.6 million. This total was the largest reported for any month since July 1935. As a result of the increase in applications and the decrease in placements, the active file of persons registered with the employment offices in search of employment rose to more than 6 million at the end of January, 5.5 percent above the number so registered at the end of December. Despite this increase, there were 1.4 million fewer registrations on file for January 1940 than for January 1939.

THE COMBINED total of payments to recipients of various types of public assistance and earnings of persons employed under Federal work programs amounted to about \$270.2 million for January. Obligations incurred for general relief from State and local funds, which accounted for more than 15 percent of the total for January, amounted to \$42.4 million, an increase of nearly 9.5 percent from December. Payments to recipients of old-age assistance, aid to dependent children, and aid to the blind together amounted to more than \$50.6 million for January, or about 18.7 percent of the total. The increases in the amount of payments reported for these special types of public assistance, as well as of general relief payments, were accounted for only in part by the inclusion, for the first time, of costs of hospitalization and burials. Sizable increases also were reported in the amount of subsistence payments certified by the Farm Security Administration, earnings of persons enrolled in the Civilian Conservation Corps, and earnings under the out-of-school work program of the National Youth Administration. Earnings under projects of the Work Projects Administration and other types of Federal work programs declined during the month.

The estimated number of different households aided under one or more of the several assistance and work programs increased to more than 6.3 million in January, nearly 2.9 percent above the December total. It was estimated that these households comprised nearly 18.4 million persons.

FEDERAL grants to the States under the provisions of the Social Security Act had reached a total of

more than \$1 billion by the end of January, according to data supplied by the Treasury Department. This total, which is based on checks paid by the Treasury, includes grants for all programs except the vocational rehabilitation services provided for under title V of the act, for which comparable data are not available. Since funds to implement the provisions of the act first became available in February 1936, the total covers a period of exactly 4 years.

Of this total amount, approximately 67.2 percent or more than \$672.7 million was for old-age assistance. About \$148.3 million or 14.8 percent was for administration of State unemployment compensation laws. Grants for aid to dependent children accounted for a little more than \$97.2 million or about 9.7 percent, public-health work for \$33.4 million or 3.3 percent, and aid to the blind for \$19.9 million or 2 percent. The three programs for maternal and child-health and welfare services together accounted for the balance of \$30.1 million, which represented 3 percent of the total.

APPOINTMENT of five members of a National Citizens' Committee to assume responsibility, in co-operation with a Federal interagency committee, for development of a follow-up program for the White House Conference on Children in a Democracy has been announced by Secretary of Labor Frances Perkins, Conference Chairman. The members of the Committee, all of whom were active in the work of the Conference, are Homer Folks, Secretary, New York State Charities Aid Association; Mrs. Saidie Orr Dunbar, President, General Federation of Women's Clubs; Dr. William G. Carr, Secretary of the Educational Policies Commission, National Education Association; the Reverend Bryan J. McEntegart, Director of the Division of Children, Catholic Charities of the Archdiocese of New York; and Dr. Henry F. Helmholz, Professor of Pediatrics, University of Minnesota.

The functions of the National Citizens' Committee will include distribution of literature and other material, enlisting the cooperation of national organizations in studying and promoting objectives of the Conference, and assisting the States in the development of programs adapted to their own needs and interests in line with the recommendations of the Conference.

# THE ROLES OF UNEMPLOYMENT INSURANCE AND UNEMPLOYMENT ASSISTANCE IN GREAT BRITAIN

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WHEN THE Committee on Economic Security was working out a suggested pattern of unemployment insurance for the United States, major consideration was given to the relation between an insurance system and the extensive existing programs for relief of the unemployed. There was strong sentiment against the commingling of insurance and relief such as had developed in Great Britain after 1920 and before the establishment of a special category of unemployment assistance in 1934. Unemployment insurance was conceived as a first line of defense, but a rather narrow first line. Beyond the limited number of weeks during which unemployment benefits would be payable, the hazard of unemployment was to be met through a substantial Federal relief program. A work-relief program was already under way in 1934, and the Congress which considered the Social Security Act had before it also plans for extension of work relief. This existing relief set-up doubtless contributed to the willingness of the committee to recommend an unemployment insurance system which would provide benefit rights as limited as those which the actuaries considered possible if the system was to be self-supporting on the basis of a 3-percent pay-roll tax.

Today, after 2 years of experience with benefit payments, attention is again turning to the fundamental issue of the proper scope of unemployment insurance and its appropriate role in the total program of aid to the unemployed. Experience has emphasized the fact that long waiting periods and low weekly benefits mean supplementary relief payments and that limited duration of benefits means a shifting back and forth from unemployment insurance to relief of considerable numbers of workers. The importance of developing our unemployment insurance system until it provides benefits adequate both in amount and duration to the group it covers is coming increasingly to be recognized.

In very broad terms, it might be said that there is general agreement as to the desirable scope of unemployment insurance: it should provide for

workers normally and currently attached to the labor market, weekly benefits related to previous full-time earnings and continued for periods long enough to carry the workers through "normal" short-run unemployment. For workers who are unemployed over considerable periods of time, the provision of opportunities for work relief and retraining may be more desirable than cash benefits, and beyond a certain period society cannot afford to provide assistance without requiring the recipient to prove his need. Just where the line shall be drawn, however, between short-run and long-continued unemployment, and what shall be the tests of current attachment to the labor market—these are difficult questions for which generally acceptable answers are still being sought. The operation of the existing unemployment insurance laws is gradually making available data which will throw light on these issues. Until more detailed analyses can be made of spells of unemployment, of earnings in covered employment, and other aspects of the program in this country, it may be instructive to review the British experience, with particular attention to the evolving scope of unemployment insurance in that country and its relation to other forms of aid to the unemployed.

From 1920, when the originally limited unemployment insurance program was extended to cover most industrial wage earners, until 1934, when a separate national system of unemployment relief was established, the British Government struggled with the problem of determining and fixing in practice the proper scope of unemployment insurance. The decision at which they arrived in 1934 cannot be regarded as final, nor is it necessarily indicative of the decisions in regard to the scope of unemployment insurance which should be reached in this country. Partly because of the clarification of basic issues which can result from a study of the evolution of unemployment insurance in other countries, this country should need no such period of trial and error as the British experienced in order to arrive at fairly clear outlines for an insurance program.

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The conditions under which unemployment insurance in Great Britain developed present a sharp contrast with the situation in this country where, as has been pointed out, the national work-relief program antedated unemployment insurance and where a period of business recovery followed closely upon the initiation of benefit payments. The inception of the general insurance system in Great Britain in 1920 coincided with the beginning of a period of widespread and long-continued economic depression, which both prevented the accumulation of reserve funds and made it impossible for many workers to obtain sufficient employment to acquire or retain benefit rights. The only form of permanent relief with which there had been any experience in Great Britain was the antiquated and inadequate local poor-law system, designed to care for "paupers" and still limited in many areas to workhouse care. Under the circumstances, it was natural that the insurance mechanism should be utilized to assist the long-time unemployed during what was regarded as a temporary emergency. The British were not unaware that unemployment insurance was being used for purposes outside its proper scope; they were unable to remedy the situation until they had replaced local poor-law relief with a national relief system for the able-bodied unemployed. While this article is not concerned with the character or adequacy of the relief program in Great Britain, it is worth pointing out that the development of that program in turn was inhibited by the failure to define its scope in relation to unemployment insurance. In particular, the inadequate attention given to retraining programs may be attributed in part to the fact that continuing cash benefits were available under the insurance mechanism.

When, in 1934, the benefit rights to be provided by the insurance system were redefined, the scope of insurance was broadened considerably beyond what had been projected in 1920. The duration of benefits which was accepted as proper for the insurance system was 26 weeks in a year, with additional weeks up to a maximum of 26 available to workers who had been steadily employed for a number of years. Weekly benefits were supplemented by allowances for dependents. The statutory waiting period before receipt of benefits was 3 days. Eligibility for participation in the system was attained by employment in each of 30 weeks in the preceding 2 years or in each of

10 weeks after the exhaustion of benefit rights in a preceding benefit year. As will be indicated subsequently, although workers still shift back and forth between the insurance and the relief systems, the general characteristics of the group which qualifies for insurance benefits under these conditions are broadly distinguishable from those of the group which is carried on relief. The validity of the distinction between the two groups is emphasized by a survey of the evolution of the insurance program.

#### *Unemployment Insurance, 1911-34*

The original British Unemployment Insurance Act of 1911 covered slightly more than 2 million workers in a selected group of industries with highly irregular employment. Only those trades were covered in which unemployment was "due not to a permanent contraction but to a temporary oscillation in their range of business."<sup>1</sup> Benefits were provided out of contributions from employers, workers, and the Exchequer. A system of flat weekly benefits was adopted, with uniform benefits of 7s. a week paid to all eligible workers. The duration of benefit payments, however, was proportional to the number of weekly contributions made by the individual worker, with a maximum of 15 weeks during a year. During the war, coverage was extended to workers in a few war industries, and the weekly benefit paid to insured workers was increased until in 1919 it was 11s.

It was recognized by the Government that at the close of the war the country would be faced with a serious unemployment problem because of the return to civilian life of the demobilized soldiers. In 1915 provision was made for the payment at the close of the war of noncontributory emergency grants to ex-soldiers for a period of 26 weeks within the year following demobilization. With the Armistice, it became apparent that the cessation of war production was resulting in widespread unemployment among the civilian population. The emergency grants, known as "out-of-work donations," were therefore made available also to unemployed civilians, and in November 1918 provision was made for payment of these grants during an additional 13 weeks at a rate of 20s. a week, instead of the 29s. paid during the

<sup>1</sup> Royal Commission on Unemployment Insurance, *Final Report*, Cmd. 4185, 1932, p. 12.

first 26 weeks. That these grants were not regarded in any sense as part of the unemployment insurance system is indicated by the fact that they were fixed at an amount far above the benefit of 7s. a week then paid under the insurance system. It was hoped that before the end of the year during which these "out-of-work donations" were available business would have improved sufficiently to absorb the majority of the unemployed.

Although business did improve slightly in 1919, it soon slumped again. Unemployment remained heavy, and pressure developed for a more comprehensive and permanent program of aid to the unemployed. As a result, in 1920 unemployment insurance was extended to cover virtually all employed persons over age 16 except agricultural workers, domestic servants, nonmanual workers earning more than £250 a year, old-age pensioners, and casual workers. Nearly 12 million persons were thus brought within the scope of unemployment insurance.

The provisions of the 1920 act make it quite clear that the system was intended to provide benefits only to workers regularly attached to the labor market during limited periods of unemployment. The rates of benefit were increased but were still predicated on the supposition that the worker would have some savings to supplement insurance benefit and tide him over these short periods of unemployment.<sup>2</sup> The benefit rates were set at 15s. a week for men. No women had been covered by the 1911 act; the weekly benefit for women was now set at 12s., in recognition of the lower wages paid most women workers. Definite limitations on the benefit payable were retained by three requirements: a prerequisite of 12 contributions before eligibility for benefit was established; the limitation of each individual's benefit to 1 week's benefit for every 6 contributions; and an over-all limit of 15 weeks' benefit in an insurance year. By the time the act was passed, unemployment had become more severe, and these requirements were immediately relaxed by the provision that a worker could receive 8 weeks of benefit if he had made 4 contributions or if he had had 4 weeks of covered employment since July 1920 or 10 weeks since the beginning of the year.

It soon became evident that the great majority of the newly included members had not made

<sup>2</sup> *Ibid.*, pp. 21-22.

sufficient contributions to entitle them to benefit even under these provisions. Business failed to improve and unemployment was acute. In March 1921 "extended" or "uncovenanted" benefits payable for a maximum of 16 weeks during two specified 8-month periods were made available through the unemployment insurance system to covered workers who had not fulfilled the requirements for benefit, or who had exhausted their rights. In July 1921 the unemployment situation became still more acute, and the maximum of 16 weeks for uncovenanted benefit was extended to 22 weeks, the additional 6 weeks to be subject to the discretion of the Minister of Labour when he considered it "expedient to the public interest." At the time of their introduction, all these uncovenanted benefits, paid out of the unemployment fund, were regarded as advance payments to potential contributors and were debited to the claimant's account. With the continued unemployment of large numbers of covered workers, however, this practice was gradually recognized to be unrealistic and was dropped. In time the uncovenanted benefit came to be considered as much a right as the standard benefit.

The amendments enacted in March 1921 reflected the growing awareness of the extent of unemployment among covered workers, not only in the provision of uncovenanted benefits but also in an extension of the maximum duration of standard benefits to 26 weeks. This extension was to take effect after July 1922, at the end of the two special 8-month periods during which uncovenanted benefits were to be available. The system of flat weekly benefits was further modified during 1921, and recognition given to variations in family needs, by the introduction of supplementary payments for dependent wives and children. Moreover, in an attempt to balance contributions and expenditures, a further departure from the insurance basis of the system was made in the authorization given the Minister of Labour to withhold uncovenanted benefits from certain individuals considered less needy: single persons residing with relatives, married women residing with their husbands, persons on short-time jobs, and aliens.

The uncovenanted benefits under the 1921 acts were intended to cease after July 1922. They were, however, continued by later amendments. By 1923 maximum benefits allowable included

the 26 weeks of standard benefit plus 18 weeks of uncovenanted benefit or 44 weeks of uncovenanted benefit alone for those who had not met the eligibility requirements. In 1924 the Labour Government raised the benefit rate to 18s. for men and 15s. for women and liberalized the waiting-period requirements. At the same time it introduced a more stringent eligibility requirement of 30 contributions within 2 years and 20 within the year preceding application for benefit. The operation of this provision was affected, however, by the power exercised by the Minister of Labour until April 1928 to waive the first part of the requirement. The following tabulation, based on reports of the Ministry of Labour,<sup>3</sup> shows the proportions of total claims paid as standard or as uncovenanted benefit at several different periods during the years 1924-27, when this eligibility requirement remained in effect.

Date of investigation	Men		Women	
	Standard benefit	Uncovenanted benefit	Standard benefit	Uncovenanted benefit
Nov. 24-29, 1924.	49.2	50.8	67.2	32.8
Apr. 12, 1926	48.2	51.8	80.7	19.3
Apr. 4-9, 1927	52.7	47.3	83.1	16.9

It will be noted that the proportion of women receiving uncovenanted benefit was much smaller than of men. This is to be explained partly by the withholding of benefit from married women residing with their husbands; it probably reflects also the greater concentration of men claimants in depressed industries and areas.

In 1927 all statutory limits on the duration of standard benefit were removed<sup>4</sup> for workers who continued to meet the revised eligibility requirement of 30 contributions in the preceding 2 years and who were available for and seeking employment. An eligible claimant was thus entitled under the amended act to a continuous run of 74 weeks of benefit. The eligibility of a claimant who was drawing benefit continuously was, how-

<sup>3</sup> For 1924, *Report on an Investigation Into the Personal Circumstances and Industrial History of 10,903 Claimants to Unemployment Benefit*, November 24th to 29th, 1924, 1925, p. 53; for 1926, *Report on an Investigation Into the Employment and Insurance History of a Sample of Persons Insured Against Unemployment in Great Britain*, 1927, pp. 52-53; for 1927, *Report on an Investigation Into the Personal Circumstances and Industrial History of 9,748 Claimants to Unemployment Benefit*, April 4th to 9th, 1927, 1928, p. 28.

<sup>4</sup> The act also repealed the 1920 rule limiting benefit payments to 1 for every 6 contributions, which had been revised from time to time but never put into practice.

ever, reviewed every quarter by a court of referees. For persons who could not fulfill the standard eligibility requirements, transitional benefit payments were to be available for a year if the worker had made 8 contributions in the last 2 years or 30 contributions at any time, if he was over 18 years of age, was normally in insured employment, and had had a reasonable amount of insured employment in the preceding 2 years. The time during which transitional benefit might be paid was later extended another 2 years.

In 1930, as a new depression threatened, recognition was given to the fact that the unemployment insurance system was carrying a load which it was not designed to carry. The entire cost of transitional benefit under the 1927 act was placed for the future upon the Exchequer and the unemployment fund relieved of all burden but the cost of standard benefit. A few figures are available to indicate the growth in the number of persons receiving transitional benefit as compared with the increase in the number of unemployed persons on the active files of the employment exchanges in the years 1929-31.<sup>5</sup>

Year and month	Number of registered unemployed (at end of month) (in thousands)	Estimated number in receipt of transitional benefit (in thousands)	Percent of registered unemployed receiving transitional benefit
January 1929	1,394	120	8.6
October 1929	1,234	130	10.5
February 1930	1,539	140	9.1
May 1930	1,770	300	16.9
May 1931	2,507	410	16.4
October 1931	2,726	526	19.3

With the depression of the early 1930's, matters grew worse. Recourse to poor relief was necessary for the growing number of those who were unable to acquire the minimum number of contributions or who had already received the maximum number of weeks of benefit. In 1931, in an attempt to economize, the Government made a determined effort to restrict unemployment insurance payments to the short-time unemployed. The standard benefit was again limited to 26 weeks in a year and transitional benefit abolished. This change was expected to bring about a considerable reduction in the expenditures on insurance benefits. Workers unable to qualify for standard benefit or remaining unemployed beyond 26 weeks

<sup>5</sup> Royal Commission on Unemployment Insurance, op. cit., p. 29.

would in the absence of other provisions have been forced to resort to poor relief and to undergo a needs test. It was recognized, however, that the poor-relief system, which was administered and financed locally, would not be able to carry the burden which would thus be placed upon it. Consequently a new system, intermediate between poor relief and insurance, was set up. The cost of relief to the unemployed, known as "transitional payments," was placed upon the Exchequer up to the limit of the amount of unemployment benefit that would have been payable to each individual each week if he had been able to draw insurance benefit. The administration of these transitional payments was in the hands of the local authorities, but the Minister of Labour had power to supersede authorities not conforming to certain general standards.

This presumably temporary arrangement lasted for 3 years, as the failure of business to revive removed all hopes for a decrease in the relief load. In 1932 the Determination of Need Act set forth in some detail types of income which should not be considered in the determination of relief grants. These rules were mandatory on the local authorities in the case of transitional payments and optional in the case of poor relief. Beyond this, however, the amount of relief available was dependent upon the relative frugality or liberality of the local administrator. Standards often varied from the highest to the lowest in adjoining districts merely because of differences in interpretation of the national regulations; some authorities deliberately evaded the regulations for determining need; and among the workers there was considerable dissatisfaction with the situation.

#### ***Unemployment Assistance, 1934-38***

To relieve this situation and to dissociate unemployment relief from local politics, the Unemployment Assistance Board was set up in 1934 with broad powers to care for the welfare of the able-bodied unemployed, to provide them with material support, and to maintain their employability. Diverse local standards of unemployment relief were to be replaced by a uniform scale of allowances and by uniform regulations governing the determination of need. The able-bodied unemployed who had worked in covered employment, or who might have done so if economic conditions had permitted, were to be

taken completely out of the locally administered poor-relief system.

The jurisdiction of the Unemployment Assistance Board was to extend to all workers subject to the provisions of the Widows', Orphans', and Old-Age Contributory Acts. This meant in effect that, of the working population, only the self-employed and nonmanual workers earning more than £250 a year were ineligible for the assistance grants. These, as well, of course, as families containing no able-bodied members, might still have to depend on poor relief. Recipients of unemployment assistance had to apply to the local poor-law authorities for any medical relief which they or their dependents might need,<sup>6</sup> but otherwise no supplementation of assistance grants by these authorities was permitted.

Unemployment assistance grants were to be available to workers who had exhausted their insurance benefits, to workers who could not meet the qualifying requirements for insurance, and to eligible workers during the waiting period or during periods of disqualification from insurance benefit except disqualification due to trade disputes; they could also, after 1937, supplement inadequate insurance benefits. Under the 1934 act the eligibility requirement for unemployment insurance was set at 30 contributions in the preceding 2 years or 10 contributions after exhaustion of benefit rights in a previous benefit year. The maximum duration of benefit was 26 weeks, except that provision was made for payment of additional days of benefit, up to a maximum of another 26 weeks, to workers who had long been steadily employed and had drawn limited amounts of benefit in proportion to their contributions over the last 5 years.

Two successive dates were set for putting the assistance features of the new law into effect. On the "First Appointed Day," January 7, 1935, the system was to take over all the able-bodied unemployed who had been receiving or who would have qualified for transitional payments from the local authorities—in other words, workers who had exhausted their benefit rights and those who had not been able to meet the qualifying requirements; on the "Second Appointed Day" it was

<sup>6</sup> Many of these workers had at one time been covered by health insurance but had lost their eligibility for benefit as a result of long-continued unemployment; moreover, health insurance benefits are limited in scope and not available to dependents.

to take over the remainder of those subject to its jurisdiction, primarily young workers under 18 who had not been eligible for transitional payments in 1934 and workers not covered by the unemployment insurance system. The former group comprised about 800,000 applicants and their dependents, totaling about 2.5 million persons. The latter group was expected to constitute

about 200,000 applicants<sup>7</sup> and their dependents, or about 600,000 persons.

The system had just got under way when a crisis arose. There was much discontent because in some areas the new payments were lower than transitional payments had been. When the House

<sup>7</sup> Unemployment Assistance Board, *Report for the Period Ended 31st December, 1935*, Cmd. 5177, 1936, p. 7.

**Table 1.—Distribution of registered unemployed,<sup>1</sup> by claims admitted for insurance benefit and applications authorized for assistance allowances, Great Britain, by months, 1935-38**

[In thousands]

Date	Total number <sup>1</sup>	Registered unemployed persons				All others <sup>2</sup>	
		With claims admitted for insurance benefit <sup>3</sup>		With applications authorized for assistance allowances			
		Number	Percent	Number	Percent		
1935							
Jan. 28	2,325	1,108	47.7	735	31.6	482	20.7
Feb. 25	2,285	1,091	47.7	739	32.3	455	19.9
Mar. 25	2,154	991	46.0	730	33.9	433	20.1
Apr. 15	2,044	917	44.9	721	35.3	406	19.9
May 20	2,045	914	44.7	723	35.4	408	20.0
June 24	2,000	912	45.6	709	35.5	379	19.8
July 22	1,973	897	45.5	696	35.3	380	19.3
Aug. 26	1,948	853	43.8	699	35.9	396	20.3
Sept. 23	1,959	867	44.3	698	35.6	394	20.1
Oct. 21	1,916	829	43.3	704	36.7	383	20.0
Nov. 25	1,919	842	43.9	698	36.4	379	19.7
Dec. 16	1,869	822	44.0	688	36.8	359	19.2
1936							
Jan. 20	2,160	1,031	47.7	703	32.5	426	19.7
Feb. 24	2,025	941	46.5	688	34.0	396	19.6
Mar. 23	1,882	844	44.8	669	35.5	369	19.6
Apr. 27	1,831	798	43.6	656	35.8	377	20.6
May 25	1,705	722	42.3	637	37.4	346	20.3
June 22	1,703	750	44.0	616	36.2	337	19.8
July 20	1,652	722	43.7	603	36.5	327	19.8
Aug. 24	1,614	681	42.2	597	37.0	336	20.8
Sept. 21	1,624	690	42.5	592	36.5	342	21.1
Oct. 26	1,612	691	42.9	587	36.4	334	20.7
Nov. 23	1,624	718	44.2	583	35.9	323	19.9
Dec. 14	1,629	744	45.7	579	35.5	306	18.8
1937							
Jan. 25	1,680	794	47.0	572	33.9	323	19.1
Feb. 22	1,628	755	46.4	559	34.3	314	19.3
Mar. 15	1,601	732	45.7	553	34.5	316	19.7
Apr. 19	1,454	621	42.7	612	42.1	221	15.2
May 24	1,451	652	44.9	601	41.4	198	13.6
June 21	1,357	583	43.0	573	42.2	201	14.8
July 26	1,379	622	45.1	552	40.0	205	14.9
Aug. 23	1,359	602	44.3	550	40.5	207	15.2
Sept. 13	1,339	592	44.2	544	40.6	203	15.2
Oct. 18	1,390	644	46.3	544	39.1	202	14.5
Nov. 15	1,499	745	49.7	551	36.8	203	13.5
Dec. 13	1,665	806	53.8	556	33.4	213	12.8
1938							
Jan. 17	1,828	1,040	56.9	561	30.7	227	12.4
Feb. 14	1,810	1,034	57.1	558	30.8	218	12.0
Mar. 14	1,749	995	56.9	549	31.4	205	11.7
Apr. 4	1,748	993	56.8	546	31.2	209	12.0
May 16	1,779	1,010	56.8	541	30.4	228	12.8
June 13	1,803	1,074	59.6	531	29.5	198	11.0
July 18	1,773	1,041	58.7	520	29.3	212	12.0
Aug. 15	1,759	1,020	58.0	518	29.4	221	12.6
Sept. 12	1,799	1,042	57.9	532	29.6	225	12.5
Oct. 17	1,781	1,020	57.3	539	30.3	222	12.5
Nov. 14	1,828	1,061	58.0	546	29.9	221	12.1
Dec. 12	1,831	1,076	58.8	554	30.3	201	11.0

<sup>1</sup> Registered at the employment exchanges as of a particular day; beginning with Sept. 13, 1937, method of counting was changed, resulting in a reduction for that date of 49,000 persons.

<sup>2</sup> Beginning with November 1936, when benefits became payable under the agricultural insurance system, figures include claims of agricultural workers.

<sup>3</sup> Receiving neither benefits nor allowances; computed.

Source: Registered unemployed: Ministry of Labour, *Twenty-Second Abstract of Labour Statistics of the United Kingdom (1922-1938)*, Cmd. 5556, pp. 50-51; *Report for the Year 1937*, Cmd. 5717, p. 93; *Report for the Year 1938*, Cmd. 6016, p. 96. Claims admitted: *Report of the Unemployment Insurance Statutory Committee* . . . 31 December, 1937, pp. 50-51; for 1938, current issues of *Ministry of Labour Gazette*. Allowances authorized: *Ministry of Labour Gazette*, 1935, 1936, 1937, 1938.

of Commons began to discuss supplementary budget estimates for the Unemployment Assistance Board, existing anomalies were brought to light. Therefore, in February 1935, the "Standstill Act" was passed, providing that an applicant should receive either an allowance based on the regulations or such allowance as he would have received if transitional payments had continued, whichever was higher. This compromise provision was not entirely eliminated until 1938. At the same time the Second Appointed Day, originally set for March 1, 1935, was postponed; it finally went into effect on April 1, 1937. As a result of the postponement, a large group of able-bodied unemployed remained dependent upon poor relief for 2 years after the initiation of unemployment assistance. Largely as a result of improved business conditions in 1937, the number of applicants added to the unemployment assistance rolls on the transfer day was 90,000 rather than the anticipated 200,000.

The 1934 act centralized the administration of unemployment assistance under the authority of the Unemployment Assistance Board. The Board works closely with the Ministry of Labour, since both are concerned in general with the same clientele—the able-bodied unemployed who normally work for wages. The Ministry of Labour, through the local employment exchanges, takes applications for assistance and makes assistance payments in the same manner and on the same day as it pays unemployment benefits. The Board, through its area offices, makes detailed investigations of the applications and determines eligibility and the amount to be paid to each recipient, in accordance with regulations submitted through the Ministry of Labour to Parliament for approval.

Standard amounts were set by law for allowances to various types of household units throughout the country. Cost-of-living differentials, as such, were not introduced, except for variations in rent allowances, but local officers of the Board were permitted some discretion for extraordinary conditions. The reason given for ruling out general cost-of-living differentials was that most of the persons concerned lived in industrial areas and living costs probably did not vary much among such areas, except in the case of rents—particularly in the London area. Under revised regulations issued in 1936, recognition was given to

variations in the standard of living through the adoption of a rural-urban differential in the size of allowances. Since 1937, seasonal variations in living costs have been taken into account in the raising of all allowances during the winter months to cover the cost of fuel and additional clothing.

Allowances for large families may be as high as or higher than insurance benefits in spite of supplements for dependents under the insurance system, primarily because assistance allowances provide larger sums for older children and because they are adjusted for rent differentials. In a small percentage of cases, allowances to unemployed individuals with large families are higher than their regular wages when they are employed. However, a 1937 sample study of insurance and assistance recipients found that, whereas 2.3 percent of insured men were receiving insurance benefits equal to or higher than their previous wages, only 1.3 percent of the men on the assistance rolls were receiving such favorable treatment. Among women applicants, the relative percentages were 5.2 receiving insurance payments and 3.5 receiving assistance allowances equal to or higher than their regular wages.<sup>8</sup>

#### *Relation of Insurance and Assistance*

The relative number of persons receiving insurance benefits and assistance allowances in the years 1935 through 1938 is indicated in table 1. The Ministry of Labour publishes monthly the number of claims admitted for insurance benefit and the number of applications authorized for allowances as of a given day in the month. Since all claims and applications filed during a week are handled for benefit purposes as though they had been filed on a single day, these figures represent the number of persons receiving benefit or assistance allowances in one week of the month. The table shows the number of such persons as a percentage of the number of unemployed persons registered with the employment exchanges as of the last day of each month. The derived figures in the final columns, showing the number of registered unemployed receiving neither benefit nor allowances, are approximate only and do not relate to any specific date.

This latter group of persons includes workers

<sup>8</sup> *Reports of the Unemployment Insurance Statutory Committee . . . 31st December 1937, 1938, p. 21; Unemployment Assistance Board, Report for the Year Ended 31st December 1937, Cmd. 5752, 1938, p. 82.*

not covered by the insurance system: agricultural workers (until 1936);<sup>9</sup> domestic workers (since 1938 certain classes of domestic workers have been covered); and casual workers and a few workers in seasonal occupations, as well as persons previously self-employed and nonmanual workers earning more than £250 a year. Up to April 1937 the group included also workers in insured occupations who had failed to qualify for transitional payments and hence did not become eligible for unemployment assistance until the Second Appointed Day. The effect of the transfer of these workers to the assistance rolls in April 1937 is clearly evident in the figures. Whereas on March 15, 1937, 34.5 percent of the registered unemployed were receiving unemployment assistance and 19.7 percent were receiving neither assistance allowances nor insurance benefit, on April 19, 1937, 42.1 percent were receiving assistance and only 15.2 percent were in the latter group.

For this residual group, poor relief remains the chief source of public aid. During the period since 1934, about 96 percent of the total registered unemployed have held insurance cards. Of those holding such cards, about 5 percent on the average were in receipt of poor relief—other than exclusively medical aid—during 1935, about 4.5 percent during 1936 and through March 1937, and less than 1 percent after April 1937.<sup>10</sup> An average of slightly over 10 percent of the registered unemployed holding insurance cards have not received insurance benefits, assistance allowances, or poor relief. The Ministry of Labour also reports the number of uninsured registered unemployed in receipt of poor-relief grants. Before April 1937, more than 90 percent of this relatively small group were receiving such grants in the months for which figures are reported; after April 1937, when some of this group became eligible for assistance allowances, the proportion dropped to 60 percent. It should be noted that not all the unemployed persons receiving poor relief were granted this aid because of unemployment. An exact measure of the relative roles played by unemployment insurance, unemployment assistance, and poor relief in meeting the total burden of

unemployment would require elimination from these figures of the considerable number of poor-relief payments made on account of such other factors as sickness or disqualification due to a trade dispute.<sup>11</sup>

Of more concern to this discussion is the proportion of the total number of registered unemployed workers receiving insurance benefit during the years since 1934. The effect of continued depression on the insurance system is evident in these figures. Throughout 1935, 1936, and most of 1937, the insurance beneficiaries constituted about 45 percent of the total registered unemployed, while those receiving assistance allowances made up about 37 percent of the total except in the months immediately following April 1937, when a large group of workers was transferred from poor relief to the assistance rolls.

The markedly improved business conditions in England during the early months of 1937 and the sharp depression at the end of that year are reflected not only in the figures for total registered unemployed but in the notably higher proportion of the registered unemployed receiving insurance benefit during 1938. In June 1938 approximately 60 percent of the registered unemployed were receiving unemployment benefit. It is apparent that industrial activity during 1937 enabled a considerable body of workers to find sufficient employment to qualify them for receipt of unemployment benefit when they subsequently became unemployed. Other contributory, though minor, factors in the increase in the proportion receiving benefits may have been a slight increase in the number of additional days of benefit allowed under the general system and a relaxation in the conditions for eligibility under the agricultural insurance system in 1938.

Since 1935 the Unemployment Assistance Board has recorded for one day in December the reasons for application for assistance. For the majority of applicants the reason has consistently been failure to fulfill the basic eligibility requirement of 30 contributions in the preceding 2 years (table 2). Most of the applicants unable to meet the basic requirement are presumably young workers

<sup>9</sup> A special unemployment insurance system for agricultural workers went into effect in 1936, bringing into insurance an additional 600,000 persons.

<sup>10</sup> Computed from Ministry of Labour, *Twenty-Second Abstract of Labour Statistics of the United Kingdom (1935-1936)*, Cmd. 5556, 1937, and current issues of the *Ministry of Labour Gazette*.

<sup>11</sup> An extended discussion of this problem, as part of a detailed history and evaluation of the British programs for aid to the unemployed, will be found in a forthcoming publication of the Committee on Social Security of the Social Science Research Council. The author, Dr. Eveline Burns, has kindly made parts of the manuscript available for use in checking the results of this analysis.

who have never had more than casual employment and older workers who have suffered long-continued unemployment. The approximately 20 percent who have exhausted benefits in the current year or have not paid 10 contributions since exhausting benefit in the previous year represent a group with more recent experience in the labor market. The marked decrease in December 1938 in the proportion of applicants with less than 30 contributions in the past 2 years is probably further evidence of the increased industrial activity in 1937.

Assistance grants made to workers to carry them during the waiting period for insurance benefit are included in this table with disqualifications from benefit. Although the statutory waiting period is only 3 days, workers may be subject to greater delay in receiving benefits, since benefit payments are made on only one day in the week. In 1938, of 180,000 applications for assistance during the waiting period, 120,000 were granted. The average weekly number of persons receiving assistance allowances to supplement insurance benefits in 1937 was 2,900 or about 0.5 percent of the average weekly recipients of benefits; in 1938 the number was 8,400 or about 1.5 percent. The average supplementary payment for 1937 was 7s. 7d. and for 1938, 7s. 2d. a week.

There are a number of significant differences between the groups receiving assistance and those receiving insurance benefits. As would be expected, the duration of unemployment for recipients of assistance is in general much longer than for insurance beneficiaries. In November 1938, 82.0 percent of insurance applicants for

whom allowances had been authorized had been out of work less than 3 months, and only 2.7 percent had been unemployed 12 months or more; only 28.5 percent of assistance applicants, on the other hand, had been unemployed for less than 3 months, and 45.3 percent for 12 months or more, as is indicated in the following tabulation.<sup>12</sup>

Type of applicant	Applicants with registered unemployment lasting—							
	Less than 3 months		More than 3 and less than 6 months		More than 6 and less than 12 months		12 months and over	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Insurance	928,054	82.0	110,489	9.8	62,833	5.5	30,107	2.7
Assistance	156,133	28.5	55,201	10.0	88,714	15.2	248,280	45.3

Because of the length of their period of unemployment, a greater number of assistance recipients are in need of special measures for improving their mental and physical health as well as for training them in the skills of their previous jobs or new jobs. The Unemployment Assistance Board maintains no training program of its own but sends its clients to the Training and Instructional Centres maintained by the Ministry of Labour. Through 1938 the total number of workers at such centers had, however, never been more than 25,000 in any one year.

Persons under the jurisdiction of the Assistance Board are in general older than those receiving insurance benefits. In April 1935, 40.7 percent of the applicants for assistance were over 45 years of age and 20.7 percent were between 55 and 64.<sup>13</sup> At the same time, assistance has been caring for the young persons who came into the labor market during the great depression and have never become firmly entrenched in any job or trade. Both groups need substantial aid for extended periods of time—the first because the probability of their returning to employment is low, the latter because they have had no opportunity to lay aside savings or accumulate contribution credits. The importance for the Unemployment Assistance Board of the problem of the older worker can be seen from the following percentage comparison of the age

Table 2.—Percentage distribution of applicants for assistance allowances, by reason for application, Great Britain, as of a specified day in December, 1935-38

Date	With less than 30 contributions in past 2 years	Having exhausted benefit in current year or not paid 10 contributions since benefit exhausted in preceding year	Possessing no unemployment book (not insured)	Disqualified from benefit	Requesting supplementation of benefit	
Dec. 16, 1936	76.5	23.5	-----	-----	-----	
Dec. 14, 1936	79.4	20.6	-----	-----	-----	
Dec. 13, 1937 <sup>1</sup>	77.4	16.5	4.1	0.0	1.0	
Dec. 12, 1938 <sup>1</sup>	69.8	23.1	3.5	1.2	2.2	

<sup>1</sup> Percentages do not equal 100 because a small number of cases were still under consideration.

Source: Unemployment Assistance Board, *Reports*, op. cit., 1935, pp. 304-305; 1936, p. 55; 1937, pp. 186-187; 1938, pp. 180-181.

<sup>12</sup> Unemployment Assistance Board, op. cit., 1938, p. 65; *Ministry of Labour Gazette*, December 1938, p. 484.

<sup>13</sup> Based on a 10-percent sample (Unemployment Assistance Board, *Report, 1935*, p. 30). The corresponding percentages for selected dates in the following years, based on a 5-percent sample for 1936 and 1937, and all usable records for 1938, were: November 1936, 45.7 and 24.3; December 1937, 47.5 and 26.0; December 1938, 49.0 and 27.4.

distribution of insurance and assistance clients and of assistance recipients alone.<sup>14</sup>

Age group (years)	1935		1936	
	Recipients of insurance and assist- ance	Recipients of assist- ance	Recipients of insurance and assist- ance	Recipients of assist- ance
Under 25	21.6	11.4	18.8	9.7
25-34	26.6	26.4	25.1	22.7
35-44	19.3	21.5	20.2	21.9
45-54	17.2	20.0	18.2	21.4
55-64	15.3	20.7	17.7	24.3

That depressed industries and areas contribute heavily to the Unemployment Assistance Board's clientele is indicated by an analysis of the age and length of unemployment of assistance applicants in five major industrial groups (table 3). The analysis is based on a 5-percent sample of all applicants on December 3, 1937. It is estimated by the Board that about 65 percent of all male applicants for assistance are found in the five industrial and occupational groups included in the tabulation. The mining industry, which shows for this sample group the largest proportion of unemployment assistance applicants aged 45 and over, is and has been for many years one of the most severely depressed industries in Great Britain.

### Conclusion

Thus, after 30 years' evolution, the British unemployment insurance system has achieved a fairly clear-cut definition of scope. Workers who qualify, by evidence of at least a minimum amount of recent employment, may receive insurance benefits for 26 weeks in a year, or longer if they have been steadily employed in the past 5 years. Workers who remain unemployed beyond this period or who fail to meet the qualifying requirements must prove their need, on the basis of specified statutory definitions, in order to receive assistance under the national unemployment assistance program. No matter how long the period during which insurance benefits are paid, however, some able-bodied unemployed will fail to find jobs within that period; no matter how lenient the qualifying requirements, some workers will fail to meet them. The current requirements

Table 3.—*Distribution of male applicants for assistance allowances, customarily employed in specified industrial groups, by age and length of previous unemployment, Great Britain, Dec. 3, 1937*<sup>1</sup>

Age and length of unemployment	Applicants customarily employed in—				
	General labor	Mining	Transport	Engineering	Shipbuilding
Total number	152,020	76,830	61,640	32,950	21,300
Percentage	100.0	100.0	100.0	100.0	100.0
Age group (years):					
45 and over	46.6	57.7	41.4	53.8	48.4
Under 45	53.4	42.3	58.6	46.2	51.6
Under 30	18.1	10.0	23.3	15.9	18.0
Length of unemployment:					
Under 1 year	55.1	34.6	57.7	47.5	53.5
1 year and less than 3 years	22.7	28.4	22.4	21.9	17.8
3 years and over	22.2	37.0	19.9	30.6	28.7

<sup>1</sup> Based on a 5-percent sample of all applicants.

Source: Unemployment Assistance Board, op. cit., 1937, p. 73.

in Great Britain are not severe; 30 weeks' contributions in the past 2 years may mean employment of as little as 1 day in each of 30 weeks, yet approximately 22 percent of the persons registered with the employment exchanges as unemployed in 1938, following a good year, claimed unemployment assistance because they were unable to meet this requirement. Nevertheless, as this brief survey has indicated, there is a difference in the characteristics of the total insurance and the total assistance group. Certainly to British workers the distinction between the insurance and assistance programs has seemed of great significance.

The demarcation of the fields to be covered by insurance and assistance which is appropriate in Great Britain may not be appropriate to the United States. As has already been suggested, the prior development in this country of work relief and of special programs for young unemployed workers should certainly influence the evolution of our unemployment insurance system. The history of unemployment insurance in Great Britain, as well as the limited experience in this country, would suggest that if an entire national program for care of the unemployed is to develop satisfactorily, each part of this program must not only be coordinated with all others but must be adequate to meet all its appropriate responsibilities. The importance of a reconsideration of the function of our current unemployment insurance benefits and a reexamination of their adequacy is thus emphasized by a review of British experience in this field.

<sup>14</sup> Unemployment Assistance Board, *Report*, op. cit., 1935, p. 80; 1936, p. 201. *Ministry of Labour Gazette*, August 1936, p. 278; December 1936, p. 442. For 1935, the combined figures relate to a date in May, the assistance figures to April.

# COSTS AND BENEFITS UNDER PREPAYMENT MEDICAL-SERVICE PLANS

LOUIS S. REED\*

*Because of many inquiries addressed to the Division of Health Studies concerning voluntary prepayment plans for medical services, information available to the Bureau of Research and Statistics on a number of actual or proposed services has been formulated in the following article. The plans and proposals here included do not indicate all types of voluntary arrangements for the prepayment of medical service, nor are they necessarily a representative selection. They illustrate various types of plans in which there is active current interest. Comparison of the provisions of these plans must be made only with regard to their differences in scope, coverage, organization, administration, and charges.*

IN RECENT YEARS in this country there has been a rapid development of plans for the purchase of medical care on a prepayment or insurance basis, i. e., plans whereby the subscriber, in return for a fixed charge paid periodically, is entitled to such medical care as he may need. Of the many varieties and types of prepayment plans, those which have had the most rapid and widespread development are the nonprofit community-wide plans of hospital-care insurance. These plans—which were virtually nonexistent 8 or 10 years ago—have now been established in some 60 communities and report more than 4.5 million subscribers.<sup>1</sup> Prepayment or insurance plans providing the services of physicians, alone or in conjunction with hospitalization or other forms of medical care, have thus far had a distinctly slower growth. However, both the public and the medical profession are now displaying keen interest in these latter plans, and it is highly probable that the next few years will witness a rapid development of such plans.

This article brings together summary descriptions of 35 existing or projected prepayment plans providing physicians' services, either alone or in combination with other forms of medical care. The primary purpose of this compilation—aside from the interest which attaches to such descriptions in themselves—is to shed light on the per capita cost of furnishing medical service to representative populations. For each of the plans, data are given to show either the monthly charges

considered necessary to provide subscribers with specified medical-service benefits or the average annual cost incurred per covered person in furnishing stated types of medical services.

Since the plans selected for presentation have been restricted to those which furnish physicians' services either alone or in combination with other forms of medical care, examples of the nonprofit community-wide plans of hospital-care insurance, which furnish hospital care only, are not included. The compilation is also restricted to plans serving average population groups; thus it does not include examples of plans such as university health services, which provide medical care to students on a prepayment basis. It also excludes the many varieties of medical-expense indemnity insurance, i. e., insurance which *in fact* pays a cash benefit to the subscriber or policyholder by way of reimbursement for medical expenses incurred. With one exception the plans described are all of a voluntary character, that is to say, subscription is not obligatory by law.

For convenience of comparison, the 35 plans have been grouped under five heads—according to the characteristics of the groups sponsoring or establishing them—as follows: A. Private Group-Clinic Plans; B. Medical-Society Plans; C. General Consumer-Sponsored Plans; D. Company or Employee Medical-Service Plans; and F. Farm Security Administration Plans.

A. *Private Group-Clinic Plans.*—Under this head have been placed the plans organized and operated by physicians who practice as a group and who provide their services to subscribers for a fixed monthly payment. The total number of plans of this type is small, and altogether they probably render service to about 100,000 people.

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<sup>1</sup> Rorem, C. Rufus, *Non-Profit Hospital Service Plans*, American Hospital Association, Chicago, January 1940.

**B. Medical-Society Plans.**—In this group are placed examples of proposals or plans established or sponsored by State or local medical societies. A characteristic feature of all these plans is that all the physicians in the community, or all who belong to the medical society, may participate in the plan if they choose, and subscribers are entitled to free choice among all participating physicians. The first plans of this type were established by local medical societies in the States of Washington and Oregon in 1931-33 and immediately succeeding years; until recently they stood alone. Within the last year and a half a considerable number of local and State medical societies scattered over the country have announced intentions of establishing plans similar to those in Washington and Oregon. At least one of these new plans has been placed in operation. The total number of medical-society plans now operating is small, and it is doubtful whether service is being provided under them to more than 100,000 people.

In this article ten representative medical-society plans are described, of which six are now in operation. Of the remaining four plans, one is called a plan for medical-expense indemnity insurance. Nevertheless the plan proposes to furnish medical service *in kind* to subscribers, and the insuring organization would directly remunerate the physicians rendering the services, each service to be paid for on a scheduled unit-fee basis. The plan accordingly does not differ in these respects from other prepayment medical-service plans, and the name "medical-expense indemnity insurance" would seem a misnomer.

**C. General Consumer-Sponsored Plans.**—Under this head are given examples of plans organized or controlled by consumer groups, not including groups organized on the basis of employment by a particular company or establishment, or employer-sponsored plans. General consumer-sponsored plans, as here defined, would include a wide variety of plans, many of them of long standing—such, for example, as those organized by fraternal associations and lodges. An accurate estimate of the number of these plans or of the number of persons served by them cannot be made. Six examples of general consumer-sponsored plans are given here. Two of these have not yet been placed in operation; the others are all of relatively recent origin. The examples cited here therefore represent, in general, recently organized types of

general consumer-sponsored plans rather than consumer plans of long standing.

**D. Company or Employee Medical-Service Plans.**—A considerable number of prepayment medical-service plans have been established to provide medical care to the employees of particular establishments and sometimes to the dependents of these employees. Generally these plans are organized and established in the first instance by the management, and usually the management administers the plan; however, in some instances employees have achieved a considerable measure of control. There are a few cases of company medical services in which the whole cost of the care provided is borne by the company itself. Whether such plans should be considered prepayment plans is perhaps debatable; nevertheless the experience under such plans can throw light on the cost of furnishing medical care on a prepayment basis, and for that reason a description of one plan wholly financed by the employer is included. The general rule in company or employee medical-service plans, however, is that the employees bear part or all of the cost through periodic contributions in the form of payments deducted from pay. Sometimes participation in these plans is optional with the employee; in many cases, however, the plan is compulsory in that participation is made a condition of employment.

Many company or employee medical-service plans are of long standing; they are found most commonly among railroads and mining companies. It is probable that today between 1 and 2 million individuals obtain all or most of their medical care through plans of this character.

Ten examples of company or employee medical-service plans are given. It is difficult to say how representative these are of plans of this type. For the most part the examples were selected because they were thought to be significant illustrations and because cost data were available. The ten examples include one plan (that established for employees of the city of San Francisco) wherein participation of the employees is compulsory by law—probably the only plan of such character now existing in the United States.

**E. Farm Security Administration Plans.**—Since 1936 the Farm Security Administration (formerly the Resettlement Administration) has promoted

the establishment of what are in effect prepayment medical-service plans among low-income farmers. Such plans now exist in more than 400 districts, areas, or communities and provide care to more than 300,000 individuals. Generally, participation in these plans is restricted to farm families who are receiving or have received aid in the form of loans from the Farm Security Administration. These plans differ from all the others described in that they are designed primarily for families who are not or have not been entirely self-supporting. Generally, the physicians participating in these plans are asked to accept remuneration at reduced fees because of the low incomes of the populations served. Five representative examples of Farm Security Administration plans are given. The author is indebted to the office of the Medical Director of the Farm Security Administration for the selection of these plans and for the descriptions given.

The remainder of this article consists of short descriptions of each of the 35 plans. Each description is designed, within the limits of available space, to give the reader an understanding of the essential nature of the plan, and of the cost or charges and the benefits provided. In most instances the information has been obtained through correspondence.

No analysis or generalization with respect to the cost of furnishing medical service is here attempted. In interpreting these data, the reader is cautioned to remember that the cost of furnishing medical care to any population group varies greatly with the composition of the group with respect to age, sex, race, employment status, economic status, basis of selection, and many other factors.

Unless otherwise mentioned, none of the plans provide care in workmen's compensation cases or institutional care for cases of mental disease, tuberculosis, alcoholism, or drug addiction.

#### **A. Private Group-Clinic Plans**

##### **I**

**Name:** Civic Medical Center.

**Location:** Chicago, Illinois.

**Sponsor:** Private group of physicians.

**Coverage:** About 1,300 subscribers (November 1939). The Center also serves individuals on a fee-for-service basis.

**Cost or charges:** \$2 a month for single persons, \$3 for man and wife (if both fully employed, \$2 each), \$4 for a man and wife and all dependent children; extra charge for home calls during the day of \$1 within city limits and \$2 outside city limits and within a 15-mile radius of the Center; night calls \$2 and \$3. These are new rates applying to subscribers enrolled after October 1, 1939. Rates for persons enrolling before that date were: single person, \$1.50 a month; \$2.50 for family membership including all blood relatives dependent on subscriber.

**Medical services provided:** Physicians', specialists', and surgeons' services, X-rays, laboratory tests, and part of the costs of hospitalization. The subscriber must pay \$3 for each day of care and is entitled to semiprivate accommodations, use of operating room, anesthesia, ordinary drugs, X-rays, and laboratory tests.

**Organization of medical service:** Private group clinic. The group operates as a partnership to which all or most of the medical staff belong.

##### **II**

**Name:** Milwaukee Medical Center.

**Location:** Milwaukee, Wisconsin.

**Sponsor:** Private group of physicians.

**Coverage:** About 3,500 subscribers and their dependents; a total of 10,000 persons (December 1939). Center also serves individuals on a fee-for-service basis.

**Cost or charges:** \$1 a month for a single person, \$2 for man and wife, and \$3 for a family, including all children under 21.

**Medical services provided:** Physicians' services in office, home, and hospital; laboratory and X-ray services. Exclusions: hospitalization, nursing, and drugs.

**Organization of medical service:** Private group clinic, salaried staff. Group is owned by five partners, all physicians; other members of medical staff receive share of profits in addition to salaries.

##### **III**

**Name:** Ross-Loos Medical Group.

**Location:** Los Angeles, California.

**Sponsor:** Private group of physicians.

**Coverage:** About 23,000 members and 46,000 dependents; a total of 69,000 (November 1939).

**Cost or charges:** \$2.50 a month per member for

members joining in groups; \$3 for those joining as individuals. This payment does not cover dependents, except that dependents may obtain medical services at special low costs, i. e., 50 cents for an office call, \$1 for a home call, and proportionate charges for other services except hospitalization, which must be paid for at regular rates.

*Medical services provided:* Complete physicians' services, including X-rays, laboratory services, physiotherapy, etc.; hospitalization (ward accommodations), including all usual hospital services for a maximum of 90 days in any 1 year; all prescribed medicines. Exclusions: hospitalization in obstetrical and in venereal disease cases.

*Organization of medical service:* Private group clinic, salaried staff. Clinic is owned by 18 partners, all physicians; other members of medical staff receive share of profits in addition to salaries.

#### IV

*Name:* Trinity Hospital.

*Location:* Little Rock, Arkansas.

*Sponsor:* Private group of physicians.

*Coverage:* About 2,500 employed persons and their dependents; a total of 5,508 persons (Aug. 1, 1939). Group also serves individuals on a fee-for-service basis.

*Cost or charges:* Group subscribers: \$2 a month for a single person, \$4.50 for a family. Nongroup subscribers: \$2.50 for a single person, \$5 for a family.

*Medical services provided:* Physicians' services in the office and hospital, X-rays, laboratory services; hospitalization (semiprivate accommodations) for a maximum of 6 weeks in any 1 year. Necessary nursing care in the hospital; ordinary drugs used in treatment of patient in the office or hospital. Home calls at a special charge of \$2 during the day and \$4 at night. Exclusions: eye cases, venereal disease cases.

*Organization of medical service:* Private group clinic, salaried staff. Group is owned by four partners, all physicians; other members of medical staff receive share of profits in addition to salaries.

#### B. Medical-Society Plans

#### V

*Name:* Associated Medical Services, Inc.

*Location:* Toronto, Ontario.

*Sponsor:* Ontario Medical Society.

*Coverage:* 11,000 subscribers (October 1939), and growing at the rate of 800 new subscribers a month.

*Cost or charges:* Subscribers, \$2 a month; first dependent, \$1.75 a month; second dependent, \$1.50; third dependent, \$1.25; fourth and each additional dependent, \$1. Dependents include wife or husband of subscriber, and children under age of 21 who are not in receipt of incomes exceeding \$7 a week.

*Medical services provided:* Services of participating physicians in office, home, and hospital, including consultations, surgery, and X-rays; semiprivate hospital care at cost not to exceed \$3.50 a day, plus cost of anesthesia and use of operating room; medicines while in hospital at average cost not to exceed 50 cents a day; all necessary nursing; care in childbirth after patient and husband have been members for 10 months. Maximum cost of service to a subscriber or dependent not to exceed \$800 in a contract year.

There is a 2-month waiting or probationary period. Tonsil and adenoid operations provided only after year of membership.

*Organization of medical service:* Subscriber has free choice of participating physicians; i. e., all registered medical practitioners in Ontario who accept conditions of participation, including payment according to fee schedule adopted by the Ontario Medical Association.

#### VI

*Name:* California Physicians' Service.

*Location:* California; headquarters in San Francisco.

*Sponsor:* California State Medical Association.

*Coverage:* Present number of subscribers, 8,000 (Feb. 15, 1940). Plan is open to employed persons earning \$3,000 or less a year. Coverage not yet extended to dependents.

*Cost or charges:* The plan covering physicians' services is offered in conjunction with hospitalization insurance provided by three nonprofit associations in the State. The combined charge for both services is \$2.50 a month or \$2 a month if the subscriber assumes the costs of the first two visits of a physician in any illness or injury. Of the combined charge, \$1.70 or \$1.20, respectively, goes to the medical-service plan and 80 cents to

the hospital-service plan. Subscription to either service may be obtained separately.

*Medical services provided:* The medical-service plan provides complete physicians' care including laboratory and X-ray services (not more than 1 year's service for any one illness or injury). Herniotomy, tonsillectomy, adenoidectomy, and nasal septum operations not provided until member has been enrolled for at least 12 months; service with respect to pregnancy, childbirth, or miscarriage not provided until member has been enrolled for 24 months. The hospital-service plans provide hospitalization (semiprivate accommodations) for a maximum of 21 days in any one illness.

*Organization of medical service:* Subscriber has free choice of all licensed physicians in the State who participate. More than 5,000 physicians have agreed to provide their services under the plan. California Physicians' Service is distinct and separate both financially and administratively from the hospital-service plans. However, to facilitate promotion and the collection of dues, both are sold together, and the subscriber may pay for both services by a single payment or payroll deduction.

## VII

*Name:* Hawaii Medical Service Association.

*Location:* Honolulu, Hawaii.

*Sponsor:* Honolulu County Medical Society.

*Coverage:* Employed persons with incomes of \$300 a month or less; about 1,000 members (March 1939).

*Cost or charges:* \$3 a month.

*Medical services provided:* Physicians' care in the office, home, and hospital (if the member uses more than \$20 in office and home calls within the first 6 months, he is required to pay half the cost of such calls during the balance of his membership year); laboratory and X-ray services (not to exceed \$35 in any 1 year); hospitalization for 21 days at a cost of not more than \$4.50 a day for room and board; medical drugs, supplies, and dressings, not to exceed \$15 in any 1 year; private-duty nursing for a maximum of 21 days. Total medical benefits<sup>2</sup> are limited to \$300 in the first year, and if the service received in the first year does not exceed \$10, the limit will be increased to

<sup>2</sup> Bureau of Medical Economics, American Medical Association, *Organized Payments for Medical Services*, Chicago, 1939, p. 118.

\$350 in the second year. Exclusions: prenatal and obstetrical care, eye refractions, eyeglasses.

*Organization of medical service:* Members have free choice among physicians who are members of the Honolulu Medical Society. The fee schedule is based on schedule submitted by medical society and comprises ordinary fees of doctors.

## VIII

*Name:* King County Medical Service Corporation.

*Location:* Seattle, Washington.

*Sponsor:* King County Medical Society.

*Coverage:* About 35,000 employed persons (1939); only employees earning less than \$1,800 annually are eligible. Group coverage through contract with employer.

*Cost or charges:* From \$1.25 to \$1.75 a month, depending upon make-up of group of employees, nature of industry, etc.

*Medical services provided:* Medical and surgical care for not more than 26 weeks for any one illness or accident; hospital and nursing care in hospital for not more than 26 weeks; dental examinations and X-rays when necessary for medical diagnosis; X-rays; orthopedic appliances. Exclusions: obstetrical cases; conditions requiring use of radium or deep X-ray except on authorization of medical director; venereal diseases and diseases peculiar to sex; tuberculosis, diabetes, and cancer; chronic diseases; however physicians shall treat acute conditions of chronic ailments other than those named above.

*Organization of medical service:* Subscriber has free choice of participating physicians.

## IX

*Name:* Medical and Surgical Care, Inc. (proposed plan).

*Location:* Utica, New York.

*Endorsers:* Local county medical, osteopathic, and homeopathic societies and academies of medicine. Plan not yet in actual operation; subscribers are being enrolled but medical service is not yet being given (Mar. 2, 1940).

*Coverage:* Enrollment open to employed persons and their dependents. No income limits.

*Cost or charges:* Two plans are offered, Plan I providing physician's, surgeon's, or osteopath's care in the office, home, and hospital; Plan II providing physician's care in hospitalized illnesses

only. Charges under Plan I are \$1.40 a month for employed subscriber, \$1.15 for spouse and each dependent from 16 through 18 years of age, and 75 cents for one or more children under 16, regardless of number. The analogous charges under Plan II are 80, 75, and 60 cents. Under Plan I, during the first contract year the first \$6 of care per family is to be paid by the subscriber; subsequently the cost of the first two home or office calls in each separate illness is also to be paid by the subscriber. Under Plan II, the first \$10 of expense per family in any 1 contract year is paid by the subscriber when hospitalized. In both plans subscribers must pay the added fee usually charged by physicians for home calls made after 10 p. m.

*Medical service to be provided:* Under Plan I, physician's, surgeon's, or osteopath's care in the office, home, or hospital and X-rays and laboratory services, subject, however, to the following cost limitations: value of care given is not to exceed \$225 for one person, \$325 for two, \$425 for a family; calls in office, home, or hospital not to exceed \$75 for each person not including maternity and surgical after-care; X-ray diagnosis, \$50 each person; X-ray therapy (including radium treatments), \$50 each person; laboratory examinations, \$35 each person; allergy tests and treatments, \$100 and one-half the cost to be paid by the subscriber; physiotherapy, 30 treatments, one-half the cost to be paid by the subscriber; surgery, \$225 each person.

Under Plan II, physician's services in hospitalized illnesses, subject, however, to the same over-all limitations as under Plan I and to the following, for each person enrolled: anesthesia services, \$25; physician's calls in hospital, \$40 not including maternity or surgical after-care; physician's calls in home or office within 30 days after discharge from hospital, \$20; X-rays and radium treatments, \$25; laboratory examinations in the hospital, \$25; surgery, \$225.

*Exclusions:* Services for conditions, disease, or ailment existing at time of enrollment; maternity and prenatal care and care in hernias and tonsillectomies within 10 months of enrollment.

*Organization of medical service:* Subscriber to have free choice of participating physicians, and may also receive service from nonparticipating physicians who will be paid two-thirds of the participating physician's fee. Subscription to the

plan is offered in conjunction with Hospital Plan, Inc., with home office in Utica.

## X

*Name:* Michigan Medical Service, Inc. (proposed plan).

*Location:* Michigan.

*Sponsor:* Michigan State Medical Society.

*Coverage:* Plan not yet in operation. To be open to single persons with incomes under \$2,000 and families with incomes under \$2,500.

*Cost or charges (tentative):* \$2 a month for individual subscribers, \$3.50 for husband and wife, and \$4.50 for a family.

*Medical services to be provided:* Complete physicians' services in office, home, and hospital; laboratory, anesthesia, and X-ray services; obstetrical care after 12 months of membership; for tuberculosis, venereal diseases, cancer, and nervous and mental conditions, medical service limited to that necessary to establish diagnosis. Subscriber must bear directly first \$5 of cost of services received in each year. The value of services which subscribers may receive in any 1 subscription year is not to exceed \$325 for a single subscriber, \$550 for man and wife, and \$875 for a family.

*Organization of medical service:* Subscriber to have free choice of physicians who care to participate under the terms laid down.

## XI

*Name:* Multnomah Medical Service Bureau.

*Location:* Portland, Oregon.

*Sponsor:* The Bureau, although owned by its member physicians numbering more than 200, is controlled by the Multnomah County Medical Society. The latter appoints the board of directors of the Bureau. Any member of the local medical society may become a member of the Bureau.

*Coverage:* More than 14,000 employed persons (November 1939). The "objective" is to limit subscription to employed persons earning less than \$1,800 a year. Group coverage through contract with employer, who deducts dues from pay; dependents of employees not covered.

*Cost or charges:* Varies with composition and size of employee group.

*Medical services provided:* All necessary medical, surgical, and hospital care (ward accommoda-

tions). Hospital care limited to 6 months for any one illness; medical service limited to 1 year for any one illness or injury; dental X-rays and extraction of teeth; special nursing in hospital when required; prescribed drugs. Exclusions: service not provided in pregnancy or childbirth or in conditions arising therefrom, in venereal diseases, or in cases of allergy or pyorrhea.

*Organization of medical service:* Subscriber has free choice among the member physicians of the Bureau.

## XII

*Name:* Mutual Health Service (proposed plan).<sup>3</sup>

*Location:* Washington, D. C.

*Sponsor:* Medical Society of the District of Columbia.

*Coverage:* Plan not yet in operation (February 1939). Enrollment open to employed persons and their dependents in the District of Columbia with incomes of \$2,000 or less for single persons, \$2,500 or less for husband and wife, and \$200 additional for each dependent. Plan to be placed in operation when 5,000 persons have enrolled. Office opened to receive applications July 1, 1939.

*Cost or charges:* Single person, \$1.50 a month; husband and wife, \$2.50; family, including all dependent children under 21, \$3.50.

*Medical services to be provided:* Physicians' services in the office, home, and hospital; laboratory and X-ray services. The subscriber (individual or family) must pay directly for the first medical services rendered in any 1 year up to the amount of \$6. The value of services which subscriber may receive is not to exceed \$250 for a single person, \$350 for husband and wife, and \$450 for a family in any 1 contract year.

*Organization of medical service:* Subscriber to have free choice of physicians who care to participate under the terms laid down.

## XIII

*Name:* Physicians' and Surgeons' Hospital Association.

*Location:* Salem, Oregon.

*Sponsor:* The Association is owned and controlled by its member physicians. Membership is open to all local physicians. The organization,

though not established by the local medical society, has the latter's approval.

*Coverage:* About 5,000 employed persons (June 1939). Only employees with low or moderate incomes are accepted.

*Cost or charges:* \$2 a month.

*Medical services provided:* All necessary medical and surgical treatment for maximum of 1 year for any one illness or injury; ward hospitalization for maximum of 6 months; required special nursing for not more than 30 days in any one illness or injury; prescribed drugs, dental extractions. Exceptions: pregnancy and obstetrical cases; venereal diseases; conditions peculiar to sex.

*Organization of medical service:* Subscriber has free choice among member physicians of Association.

## XIV

*Name:* Western New York Medical Plan, Inc. (a proposed plan of medical-expense indemnity insurance).

*Location:* Erie, Allegany, Cattaraugus, Chautauqua, Genesee, Niagara, Orleans, and Wyoming counties in western New York. The headquarters of the plan is in Buffalo.

*Sponsor:* The medical societies of these counties.

*Coverage:* The plan has received a permit to do business but has not yet (February 1940) been licensed. To be open to employed persons and their dependents: single persons with annual incomes of less than \$1,800, husband and wife with incomes under \$2,500, and families with incomes under \$3,000.

*Cost or charges:* Single persons, \$18 a year; husband and wife, \$26; family, including husband, wife, and all unmarried children under 19 years of age, \$36.

*Medical services to be provided:* The services of participating physicians in the office, home, and hospital. Subscribers (individuals or families) must pay directly the first \$10 for home and office calls in any contract year in medical but not surgical cases. The value of service which subscribers may receive (or, in the language of the plan, "the amount of indemnification and reimbursement") is not to exceed \$200 for a single subscriber, \$300 for subscriber and spouse, and \$400 for a family in any 1 contract year.

The language of the plan runs in terms of indemnification or reimbursement to the subscriber

<sup>3</sup> While the Bulletin was in press, the Medical Society of the District of Columbia announced, as of April 3, that the plan will be held in abeyance "until a sufficient number of employees voluntarily subscribe."

for medical costs incurred. However, "in order to make sure that the physician receives such moneys so payable to the subscribing member under his contract," the corporation is authorized by the subscriber in his contract to pay the physician directly any such sums due him, the subscriber thereby being relieved of financial obligation for his physician's bill. Physicians participating in the plan agree to accept remuneration for their services in accordance with a unit schedule and to have all bills paid by the corporation on a pro rata basis.

**Exceptions:** services for which "reimbursement" will not be given during the first year include elective operations and treatment for any condition arising from pregnancy or childbirth. Treatment of venereal disease acquired as a venereal infection during the first 11 months of the contract will not be "reimbursed." Excluded from the contract of "reimbursement" are: services rendered in connection with any ailment or physical condition arising from the use of drugs or alcohol; diagnostic investigation or study not founded on clinical evidence of disease or injury; treatment of any congenital defect except in the newborn and then only when the subscriber holds a family contract; services rendered to individuals who have had prior to, or have at the time of their application for, membership, cancer, diabetes, osteomyelitis, tuberculosis, chronic nephritis, or coronary thrombosis; or treatment of any ailment or condition known by the subscriber to exist when application was made.

Costs of treatment of functional nervous and mental diseases in excess of \$50 in any contract year must be paid by the subscriber. When obstetrical care is given by a specialist—a physician whose practice is limited solely to obstetrics—the subscriber must pay the difference between the \$50 allowed by the corporation and the specialist's fee.

The plan does not cover nursing fees, drugs, appliances, or hospital care. Under the New York law, indemnity for costs of hospital care may not be provided by corporations organized to furnish medical-expense indemnity.

**Organization of medical service:** The subscriber is to have free choice of physician who agrees to participate as an underwriting member of the plan.

### C. General Consumer-Sponsored Plans

#### XV

**Name:** Douglas County Cooperative Health Association (proposed plan).

**Location:** Superior, Wisconsin.

**Sponsor:** Independent cooperative association in conjunction with Douglas County Medical Society, acting with approval of Wisconsin State Medical Society.

**Coverage:** Plan not yet in operation. It is intended to place plan in operation as soon as a sufficient number of people have enrolled. The Cooperative Health Association now has 162 members (individual or family units) including 400 individuals (November 1939).

**Cost or charges:** \$1.50 a month for a single person, \$2.25 for husband and wife, and \$2.90 for family.

**Medical services to be provided:** Physicians' services, including X-rays and laboratory services. **Exclusions:** treatment of venereal disease.

**Organization of medical service:** Members have free choice of participating members of county medical society.

#### XVI

**Name:** Farmers' Union Cooperative Hospital Association.

**Location:** Elk City, Oklahoma.

**Sponsor:** Independent cooperative association.

**Coverage:** 1,000 subscribers to the prepayment plan; about 3,800 persons covered, including dependents (December 1939).

**Cost or charges:** Members of the prepayment plan pay annual dues as follows: one person, \$12; two persons, \$18; three persons, \$22; four or more persons, \$25. These rates apply to husband and wife and all unmarried children living at home. Other dependents living in the household are included if the family group consists of four persons or less; otherwise such dependents pay \$6 a year.

**Medical services provided:** These dues entitle members to physicians' services, laboratory services, X-rays, and hospitalization (semiprivate accommodations), subject to the following extra charges: physicians' home calls, \$1 each plus 25 cents a mile one way; hospitalization, \$2 for each day of care plus charges for anesthesia and use of

operating room of \$20 in major operations and \$10 in minor operations and obstetrical cases; X-rays, \$3 first picture, \$2 each for additional pictures. Members are entitled to X-ray of teeth and extractions without charge and to other dental services at low cost, e. g., cleaning \$1, ordinary fillings \$1.

*Organization of medical service:* Salaried staff. The medical staff receives 75 percent of the dues for their services to members.

## XVII

*Name:* Greenbelt Health Association.

*Location:* Greenbelt, Maryland.

*Sponsor:* Independent cooperative association, unincorporated.

*Coverage:* Approximately 275 families (November 1939).

*Cost or charges:* \$1 a month for single persons, \$1.50 for a couple, \$2 for a family.

*Medical services provided:* General practitioners' care; however, there are extra fees for first home call in an illness (50 cents during day, \$1 at night), obstetrical cases (\$25), and for certain other services such as tonsillectomies and minor surgery.

*Organization of medical services:* Service given by three salaried physicians who also engage in private practice.

## XVIII

*Name:* Group Health Association, Inc.

*Location:* Washington, D. C.

*Sponsor:* Originally Home Owners' Loan Corporation, now independent.

*Coverage:* Approximately 2,350 Federal employees and their dependents; a total of about 5,450 persons (December 1939).

*Cost or charges:* Member, \$2.20 a month; wife or husband of member, \$1.80; all children under 18, \$1; children 18-21, \$1 each; dependents over 21, \$2.20. Extra charges: \$1 for first home call in any one illness; \$25 for delivery. If a chronic ailment develops within the first 3 years of membership, the member is required to pay that part of the cost of services received for the chronic illness in question which is in excess of one-half of all dues paid by the member to date.

*Medical services provided:* Physicians' services, laboratory tests, X-rays, eye refractions, hospitalization (semiprivate accommodations) for 42 days in a year, 21 days in any one illness.

*Organization of medical service:* Salaried staff; outside consultants when necessary.

## XIX

*Name:* Health Service, Inc. (proposed plan).

*Location:* Boston, Massachusetts.

*Sponsor:* A group of lay individuals organized as a nonprofit corporation.

*Coverage:* Plan not yet in operation (January 1940). To be open to persons with annual incomes of not more than \$3,500. Membership at first to be limited to groups of employed persons and their dependents.

*Cost or charges (tentative):* Individuals, \$1.25 a month; husband and wife, \$2.50; each child under 2 years of age, \$1; each child over 2 years of age and under 21, 50 cents; maximum family rate for husband and wife and dependents under 21 years of age, \$4; for each dependent over 21 years, \$1.25.

*Medical services to be provided:* Physicians' services at the office, home, and hospital; laboratory and X-ray services. Exclusions: radium and X-ray therapy for tumor or cancer. Special charges: for the first four home calls in any one sickness within a period of any 2 consecutive months, \$1 each for a day call and \$1.50 for a night call; obstetrical care, including prenatal and postnatal care but excluding home calls, \$25; X-ray service, depending upon extent of study, \$1-5.

*Organization of medical service:* Subscribers to Health Service, Inc., are to receive service from a group of physicians organized as a partnership under the name of Medical and Surgical Associates. By the terms of an agreement between Health Service, Inc., and Medical and Surgical Associates, the latter group agrees to provide to subscribers to Health Service, Inc., all the services stipulated in the contract with subscribers, and in return Health Service, Inc., agrees to pay to Medical and Surgical Associates 80 percent of all the dues received by Health Service, Inc., from its members, and as much more as is compatible with the sound operation of Health Service, Inc. Medical and Surgical Associates also agree that members of the partnership shall receive compensation only for their services as physicians and for management of the partnership and that the profits of the partnership shall not be distributable to the partners.

## XX

**Name:** Wage Earners' Health Association.

**Location:** St. Louis, Missouri.

**Sponsor:** Independent cooperative association.

**Coverage:** 450 members, November 1939; 497, June 1, 1938.

**Cost or charges:** Group subscribers: individuals, \$1 a month; family, \$1 per person with a maximum of \$3 per family, including husband, wife, and dependent children under 18. Nongroup subscribers: individuals, \$1.25 a month; family \$1.25 per person with a maximum of \$3.75 per family. Persons 60 years of age and over pay twice these rates. Extra charges: home calls, hospital calls in minor illness, and office or home calls for infants under 1 year of age, \$1 each call. In hospitalized major illnesses, including surgery and confinements, special charges for physicians' services will be made in amounts not to exceed \$20 when patient is in hospital for less than 8 days, \$40 for 8-14 days, or \$60 for 15 days or more.

There is an initial entrance and examination fee of \$3 for an individual or head of a family, \$2 for the second member of a family, and \$1 for each additional family member. There is also an initial membership fee of \$10 for a single individual and \$20 for a family, payable in installments.

**Medical services provided:** Annual health examination, services of general practitioners and certain specialists (subject to extra charges mentioned above), routine laboratory examinations, annual dental diagnosis; X-rays, special laboratory services, and physiotherapy provided at reduced rates; hospitalization not included. Service in maternity cases provided only after 18 months' membership, in genito-urinary and venereal disease cases after 1 year.

**Organization of medical service:** Service provided by independent private practitioners, who agree to serve members at stipulated fees.

### **D. Company or Employee Medical-Service Plans**

## XXI

**Name:** American Cast Iron Pipe Company Medical Service.

**Location:** Birmingham, Alabama.

**Sponsor:** American Cast Iron Pipe Company.

**Coverage:** Company provides free medical care to all employed persons and their dependents.

The average number of employees during 1938 was 1,068, of whom approximately 60 percent were Negroes. Total group served consisted of about 5,340 persons.

**Cost or charges:** The cost to the Company of maintaining its medical department in 1938 was \$102,529, including costs of comprehensive medical examinations of new employees and of care furnished in industrial injuries. The over-all cost in 1938 per person served was \$19.20.

**Medical services provided:** Physicians' services, hospitalization (ward accommodations—employee must pay the difference in cost if he desires a private room) without limitations, nursing care, drugs used in treatment of patients at the clinic or hospital, and dental care.

**Organization of medical service:** Company maintains its own clinic (capital investment of about \$125,000). Medical department has staff of 4 full-time physicians, 10 physicians (specialists) on part time, 6 full-time nurses, 2 half-time dentists, and 1 full-time laboratory technician.

## XXII

**Name:** East Ohio Gas Company Employees' Mutual Hospital and Medical Association.

**Location:** Cleveland, Ohio.

**Sponsor:** East Ohio Gas Company.

**Coverage:** 600 employees and 300 wives entitled to Class B benefits (Nov. 1, 1939).

**Cost or charges:** Monthly dues, \$2 a member; an additional payment of 50 cents a month entitles wife to Class B benefits.

**Medical services provided:** Members are entitled to payment of medical and hospital bills within following maximum limits: office calls \$2 and home calls \$3 each, with combined total maximum of \$36 for any 1 year; hospitalization, \$5.50 a day for a maximum of 21 days; operating room and anesthesia, \$20; X-rays, \$25; surgeons' fees—major operations \$100, minor operations \$25, tonsillectomies, including anesthesia, \$50. X-ray and laboratory fees are not to exceed \$25 in any 1 calendar year. Total benefits in any 1 contract year not to exceed \$200. If the maximum is used in 2 consecutive years, no further benefits are allowed until a full year has elapsed. Class B members are entitled to payments for costs of hospitalization, operating room, and anesthesia only.

*Organization of medical service:* Members have free choice of physicians in city. Fees allowed for medical and hospital services correspond to those allowed by the State Workmen's Compensation Commission. Charges in excess of these fees are to be paid by the individual member.

*NOTE.*—Five associations similar to the one just described have been organized, three covering employees of the East Ohio Gas Company in Akron, Canton, and Youngstown, respectively, one for employees of the Peoples Natural Gas Company in Pittsburgh, and one, entitled Hope Employees Mutual Hospital and Medical Association, in Clarksburg, West Virginia. Altogether, the six associations have 1,705 members and 515 Class B members (Nov. 1, 1939). The dues and benefits under all these associations are identical.

### XXIII

*Name:* Endicott Johnson Company Medical Service.

*Location:* Johnson City, Endicott, Binghamton, and Owego, New York.

*Sponsor:* Endicott Johnson Corporation.

*Coverage:* Medical care is furnished to all employees of the company and their dependents. The average number of employees during 1938 was 18,666, and the total number of persons eligible for the service was approximately 51,180.

*Cost or charges:* Formerly (except for a 9-month period in 1932) the entire cost of the medical service furnished to employees and their dependents was borne by the company. In the spring of 1938 business conditions forced the company to make a 5-percent deduction in wages for the support of the medical service. The total cost of maintaining the service amounted in 1938 to \$47.48 per worker or approximately \$17.33 per eligible person.

*Medical services provided:* Physicians' services, hospitalization without limit, X-rays, laboratory services, drugs, and the simpler forms of dental care.

*Organization of medical service:* Salaried medical staff.

### XXIV

*Name:* Health Service System of San Francisco. (A compulsory medical-service plan for employees of the city and the board of education.)

*Location:* San Francisco, California.

*Sponsor:* City government.

*Coverage:* All employees of the city and of the board of education (10,251) and the dependents (5,600) of these employees.

*Cost or charges:* \$2.50 a month per employee, \$2.50 for husband or wife, \$1.50 for the first dependent (under 18), and \$1 for each additional dependent.

*Medical services provided:* Physicians' services, including surgical and consultant services; laboratory and X-ray services; 21 days' hospitalization (ward accommodations) for member or spouse and 10 days' hospitalization for minor dependents (hospitalization not provided in obstetrical cases); for ambulatory patients, physiotherapy treatments limited to \$10, X-ray examinations to \$10, and laboratory tests to \$5.

*Organization of medical service:* Members have free choice of all physicians in San Francisco who desire to participate and will accept payment according to specified fee schedule.

### XXV

*Name:* Medical Service of the Homestake Mining Company.

*Location:* Lead, South Dakota.

*Sponsor:* Homestake Mining Company.

*Coverage:* The company provides medical care to all employees and their families—approximately 2,020 employees and their dependents or an estimated total of approximately 6,080 persons (1938).

*Cost or charges:* Cost in year 1938 estimated to be \$15.05 per eligible person, including fixed charges on company-hospital investment but excluding cost of care furnished in industrial injury cases. Includes 85 cents per capita as cost of eyeglasses. Practically all costs, except cost of eyeglasses, are borne by the company.

*Medical services provided:* Physicians' services, hospitalization, X-rays, laboratory services, eyeglasses, and drugs. Dental care and home-nursing service not provided.

*Organization of medical service:* Salaried medical staff. Company owns and operates a hospital.

### XXVI

*Name:* Northern Pacific Beneficial Association.

*Location:* The line of the Northern Pacific Railway Company. One hospital each at Saint Paul,

Minnesota; Glendive and Missoula, Montana; and Tacoma, Washington.

*Sponsor:* Northern Pacific Railway Company and its employees.

*Coverage:* All employees of the Northern Pacific Railway. Membership in the Association is a condition of employment. The average number of employee-contributors in 1938 was approximately 20,278. Dependents are not covered but may receive care as pay patients in the hospitals at reduced rates.

*Cost or charges:* Members pay 1 percent of monthly earnings, with a minimum assessment of 85 cents and a maximum of \$1.75 a month. Contributions from members in 1938 amounted to \$18.13 per employee-contributor. Except for a small deficit, contributions covered the cost of medical care and provided burial benefits costing \$1.29 per member, leaving \$16.84 as the average contribution for medical care. The company contributes a sum presumed to cover the cost of care of employees injured on duty. The cost of medical care furnished to employee-contributors, exclusive of care in industrial accident cases, amounted to approximately \$17 per covered person in 1938.

*Medical services provided:* Complete physicians' care, including laboratory services, X-rays, and hospitalization, all without limitations other than those indicated below; special nursing but for not more than 7 days; dental care limited to X-ray and extraction of diseased teeth; prescribed drugs; trusses, splints, and other appliances; eyeglasses (up to a cost of \$5 and only after 3 years of membership). Bylaws limit treatment to 6 months in any one case of disabling illness or injury, but this limitation is seldom observed in practice. Care is not furnished without charge in obstetrical cases. The Association pays \$1.50 a day toward cost of sanatorium care in tuberculosis for a maximum of 1 year, depending on length of previous membership.

*Organization of medical service:* The Association owns and operates four hospitals, each with salaried medical staff. In addition, there are more than 400 physicians and surgeons designated as "line surgeons" and remunerated by retainer, part-time salary, or fees, who furnish home and office care to employees at different places along the line. In emergencies, employees may consult other physicians and be cared for at other

hospitals; bills for such services are paid by the Association. The bulk of the care rendered is in the Association's hospitals and their out-patient departments. The Association's expenses for medical care exceed \$500,000 yearly, and it has a capital investment in medical facilities of more than \$1.5 million.

## XXVII

*Name:* Southern Pacific Hospital Department.

*Location:* The lines of the Southern Pacific Company—Pacific Lines. The Department's main hospital is in San Francisco. Through its own or contract facilities, service is made available to employees everywhere along the lines.

*Coverage:* All employees of the company—more than 50,000. Dependents are not covered.

*Cost or charges:* \$1.50 a month is deducted from the pay of each employee. These contributions cover the greater part of the cost of furnishing care. The company makes up any deficit and provides free services, such as transportation, telegraph services, and auditing.

*Medical services provided:* "All necessary medical and surgical attention at either [the employees'] residences, physicians' offices, or hospitals, together with hospital care, nursing and maintenance, medicines, surgical dressings, artificial limbs and appliances—in fact everything that enters into the bill of expense when misfortune in the way of sickness or accident befalls them."

*Organization of medical service:* The Department has on its staff some 600 physicians and surgeons remunerated mainly by salary, full or part time. It operates a general hospital of 400 beds, a tuberculosis sanatorium of 85 beds, and 16 emergency hospitals or first-aid stations. It has contracts with independent hospitals along the line to furnish emergency care.

## XXVIII

*Name:* Stanocola Employees Medical and Hospital Association, Inc.

*Location:* Baton Rouge, Louisiana.

*Sponsor:* Independent employee mutual-benefit association composed of employees of the Standard Oil Company of Louisiana. The company collects the dues through a pay-roll deduction but assumes no official responsibility for the operation of the Association.

*Coverage:* 3,000 employees and their defined dependents; a total of about 11,500 persons (November 1939).

*Cost or charges:* \$3 a month per member, plus two or three special assessments a year of \$3 each. In addition, \$1 a month is paid by members who have dependents other than wife, children, and parents covered by the service. Each new member is required to purchase a share of stock at a cost of \$20, payable in installments.

*Medical services provided:* Physicians' services in the office, home, and hospital; laboratory tests, physiotherapy, diagnostic X-ray service; hospitalization (ward accommodations) and private-duty nursing, to a combined maximum of \$250 for a single illness. Located in organization's clinic is a pharmacy operated independently by a local druggist. The cost of drugs is borne by the individual on a reduced-price basis.

*Organization of medical service:* Salaried medical staff.

## XXIX

*Name:* Tennessee Coal, Iron and Railroad Company.

*Location:* Birmingham, Alabama.

*Sponsor:* Company medical-service plan for employees.

*Coverage:* All employees living within certain radius of works and mines and earning less than \$250 a month may ask to be placed on the "medical list." Almost all eligible employees are on this list. Company has more than 20,000 employees (November 1939). Services given to dependents also.

*Cost or charges:* \$1.75 a month. These charges do not cover whole cost of service. Remainder is borne by the company.

*Medical services provided:* Physicians' service at dispensary or home and professional services in hospital; dental care at cost.

*Organization of medical service:* Salaried staff of 63 physicians and 13 dentists.

## XXX

*Name:* Union Oil Company Employees' Benefit Plan.

*Location:* Headquarters at Los Angeles; field and sales offices in many locations in California and Pacific Coast States.

*Sponsor:* Union Oil Company of California.

*Coverage:* Membership in medical plan compulsory for the company's 7,700 eligible workers (1939).

*Cost or charges:* Monthly contribution per employee, \$2. Company contributes administrative cost amounting to 12-15 percent of the total cost of the plan.

*Medical services provided:* Complete physicians' services, including X-rays and laboratory services, and all necessary hospitalization. Exclusions: care not furnished in cases of flat feet, pyorrhea, venereal diseases, confinements, and conditions due to the deflection of the nasal septum. Dental and eye care not included. Ward hospital care provided ordinarily, with semiprivate or private room when medically necessary. Prescribed drugs furnished in hospitalized cases. Maximum cost of medical care provided in any one illness, \$500.

*Organization of medical service:* Members have free choice among licensed physicians (including osteopathic physicians). Medical and hospital bills of members paid according to fee schedule determined and approved by governing board of plan. Except in cases of emergency, approval of local administrative officer must be obtained before special services are performed.

## E. Farm Security Administration Plans

(Five typical plans are cited here, taken from approximately 375 district, county, and project plans developed by the Farm Security Administration; as of September 1939. Services offered by these plans are available only to low-income farm families.)

## XXXI

*Name:* Ashwood Health Association.

*Location:* Ashwood Plantation, Bishopville, South Carolina.

*Sponsor:* Farm Security Administration. The Association is unincorporated, cooperative.

*Coverage:* 145 families, including 841 individuals (Sept. 30, 1939). Membership open to families resident on this resettlement project.

*Cost or charges:* Single persons, \$18 a year; families, \$30; \$5 extra charge for obstetrical care.

*Medical services provided:* General practitioners' care, specialists' care, and 21 days' hospitalization (ward) in acute conditions.

*Organization of medical service:* Members have free choice of licensed physicians in area who are participating.

## XXXII

*Name:* Beckham County Health Bureau.

*Location:* Sayre, Oklahoma.

*Sponsor:* Farm Security Administration.

*Coverage:* Farm families in county who are included in rehabilitation program of Farm Security Administration. On September 30, 1939, 104 families consisting of 534 persons held membership.

*Cost or charges:* Annual membership fee determined by adding to basic fee of \$21, \$1 for each member of the family; \$29 maximum annual fee charged.

*Medical services provided:* Physicians' and surgeons' services for acute or emergency conditions, prescribed drugs, and hospitalization, as advised by the physician.

*Organization of medical service:* Members have free choice of licensed physicians in county who are participating.

## XXXIII

*Name:* Shenandoah Health Service.

*Location:* Counties of Rappahannock, Page, Greene, Madison, and Rockingham in Virginia.

*Sponsor:* Farm Security Administration.

*Coverage:* Farm families included in rehabilitation program or residing on Farm Security Administration resettlement project in area. On September 30, 1939, 153 families consisting of 712 persons held membership.

*Cost or charges:* Annual membership fee of \$15 per family; extra charge of \$5 per case for obstetrical care.

*Medical services provided:* Physicians' services for acute or emergency conditions.

*Organization of medical service:* Members have free choice of licensed physicians in area who are participating.

## XXXIV

*Name:* Southwest Kansas Mutual Aid Association.

*Headquarters:* Garden City, Kansas.

*Sponsor:* Farm Security Administration.

*Coverage:* Membership open to all farm families in 18 counties in southwestern Kansas who are clients of the Farm Security Administration. On September 30, 1939, 618 families, comprising 3,463 persons, held membership.

*Cost or charges:* Annual membership fee of \$30 per family.

*Medical services provided:* Physicians' and surgeons' services for acute or emergency conditions, prescribed drugs, hospitalization (ward service) as recommended by physicians, and limited dental service such as physicians may recommend for health of patient.

*Organization of medical service:* All licensed physicians in area are eligible for service, and subscriber has free choice of participating physicians.

## XXXV

*Name:* Taliaferro County Medical Unit.

*Headquarters:* Crawfordsville, Georgia.

*Sponsor:* Farm Security Administration.

*Coverage:* Membership open to all farm families in county who are included in rehabilitation program of Farm Security Administration. On September 30, 1939, 242 families, comprising 1,479 persons, held membership.

*Cost or charges:* Annual fee of \$12 for husband and wife, plus \$1 a year for each child; \$18 maximum.

*Medical services provided:* Physicians' services in acute and emergency conditions; prescribed drugs and limited surgery and hospitalization, as advised by the physician.

*Organization of medical service:* Member has free choice of licensed physicians in county who are participating.

# SOCIAL INSURANCE PAYMENTS IN THE UNITED STATES

RUTH RETICKER\*

FOR MORE THAN a generation payments under State workmen's compensation programs have been made to offset wage losses arising from industrial accidents. For a similar period payments have been made to retired public employees to offset wage losses in their old age and in some cases in disability. These programs may be considered the beginnings of social insurance<sup>1</sup> in the United States, i. e., public programs for payments to covered workers, determined by records of their previous employment and wages, according to formulas specified in the laws, with payments financed from contributions by employers, or employers and employees, supplemented in some instances by contributions from general revenue.

The passage of the Railroad Retirement Act and the Social Security Act in the last few years extended old-age insurance to the major part of the population in industrial and commercial employment, while the unemployment compensation provisions of the Social Security Act, the related State unemployment compensation laws, and the Railroad Unemployment Insurance Act rounded out the social insurance program to offset certain wage losses from unemployment. The statistics yielded by these Federal and Federal-State programs focus attention on the significance of total expenditures for all such purposes in this country.

For several years the Social Security Board has compiled and published coordinated statistics concerning payments to recipients of public assistance and earnings of persons employed on Federal work projects. (See the Public Assistance section of this and earlier issues of the Bulletin.) The increasing social and economic importance of benefit payments under the social insurance programs makes desirable an analogous comprehensive series reflecting social insurance payments. The project is in an incipient stage. Data from only four programs—the Federal and

State-Federal programs for employees in private employment—are now organized and presented in detail. Some general data are presented on the other social insurance programs, from which it is hoped to obtain more complete reporting later.

This article brings together, for the calendar years 1938 and 1939, summary data concerning these four social insurance programs. It is hoped that coordination of data previously reported for these programs separately and publication of data concerning other social insurance programs, when feasible, will clarify the relation of these programs to other current economic and social developments.

Many specific factors relative to employment and wages and to benefit payments as well as to administrative operations under the several programs obviously can be gauged only through separate consideration of the data for each. On the other hand, broad consideration of the economic potentialities and effects of social insurance in the United States is afforded only by taking account of all governmental programs—Federal, State, and local—which make use of social insurance techniques to offset or mitigate economic insecurity among workers and their families. As time goes on and as additional information becomes available, continued development of the series here proposed should afford a record which will be significant to an understanding of the nature and amount of current national income. It should also throw light on many aspects of the structure of industry, the patterns of employment, and the characteristics of the very large segment of the population directly concerned with social insurance programs.

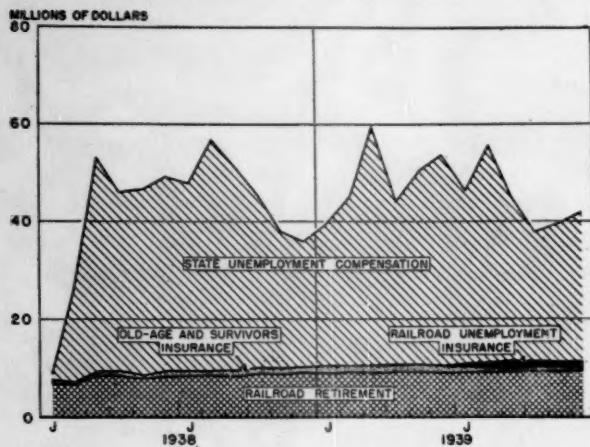
## *Recent Developments in Social Insurance*

First certifications under the Railroad Retirement Act of 1935 were made in July 1936 and first payments under the Wisconsin unemployment compensation law in August of that year. By the end of 1936, payments under these programs had totaled \$685,000 and \$131,000, respec-

\*Bureau of Research and Statistics.

<sup>1</sup> Actually, the first social insurance program in this country was established by Congress in 1798 under the Marine Hospital Service, which operated health insurance for American seamen, with medical benefits financed out of small deductions from their wages. This health insurance system operated for 86 years, until 1884, when it was replaced by tax-supported medical care for the seamen through what has since become the Public Health Service.

**Chart I.—Social insurance payments under selected programs, January 1938—December 1939<sup>1</sup>**



<sup>1</sup> For data on which chart is based see table I. Chart, however, excludes payments of \$1.1 million in Ohio in December 1939, adjustments on payments of earlier months.

tively. In April 1937 the first payments under the old-age insurance provisions of the Social Security Act were made—lump-sum payments to covered workers at age 65 and to survivors of deceased covered workers. In December 1937 these lump-sum payments under Federal old-age insurance had reached a monthly total of more than \$400,000 while payments to unemployed workers covered by the Wisconsin law totaled more than \$375,000. Meanwhile, amendments to the Railroad Retirement Act had cleared away many of the difficulties which had retarded certifications of annuities, and by the end of 1937 more than 86,000 annuitants were on the rolls, receiving aggregate payments of \$5.2 million monthly. With the beginning of 1938, when unemployment benefits became payable under the laws of 21 additional States and the District of Columbia, the flow of payments under Federal and Federal-State social insurance programs began to assume more significant proportions.

Since these social insurance benefits are paid from contributions from employers and employees, or in some instances from employers alone, and are based upon wages in covered employment, benefit payments could not begin so soon after the passage of the social insurance laws as could payments under the public-assistance programs, but waited upon the accumulation of records of wages under the acts. Nor could coordinated statistics follow so soon after payments as in the field of relief statistics where compilations had

been begun earlier by governmental and private agencies.

#### **Comparable Size of Selected Social Insurance Programs**

Chart I presents for each month in 1938 and 1939 the total payments to beneficiaries under the Federal old-age insurance provisions of the Social Security Act, the State unemployment compensation laws, the Railroad Retirement Act, and the Railroad Unemployment Insurance Act.

During these 2 years, payments under the old-age insurance program of the Social Security Act were relatively unimportant, because the only payments made were lump sums based on aggregate taxable wages after December 31, 1936. With the beginning, in 1940, of monthly benefits to retired aged workers and the added payments for certain types of dependents and survivors, the total payments under this program will be relatively more significant. Eventually such payments will probably constitute the largest element in social insurance payments in the United States. During 1938 and 1939 monthly payments to aged and disabled railroad workers constituted a fairly constant and considerable outlay, in relation to the total payments shown on the chart. However, the largest amounts of benefits in 1938 and 1939—more than three-fourths of the total—were paid out by the State unemployment compensation agencies. These payments have fluctuated widely, not only because of the increasing number of States in which they were payable and of changes in employment conditions, but also because of administrative factors. However, in each month since January 1938, such payments have been the largest of the four. The payments beginning July 1939 under the Railroad Unemployment Insurance Act to unemployed railroad workers who had formerly been covered by State unemployment compensation laws constituted the smallest fraction of expenditures under these four programs.

Chart I may be seen in perspective if it is compared with the chart of public-assistance payments and earnings of persons employed under Federal work programs in the continental United States (p. 51), as well as with chart II, which shows the nature of income payments to individuals in the continental United States for the years 1929-39. Thus while the peak of assistance and earnings in November 1938 exceeded \$325 million,

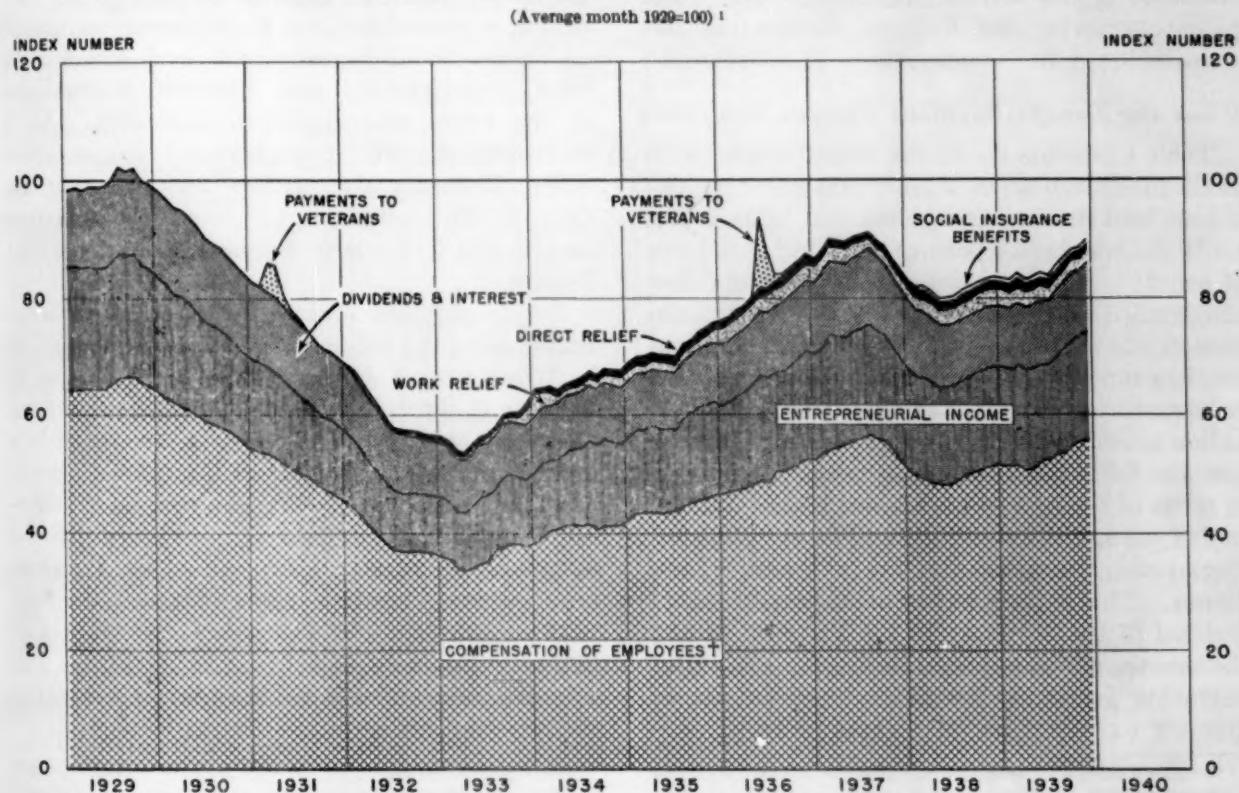
the peak of these social insurance payments in March 1939 did not reach \$60 million. On the scale of the public-assistance and work-programs chart, the social insurance payments would loom no larger—though they would be much more fluctuating—than payments for the special types of public assistance, at the bottom of the chart. On the income-payment chart social insurance benefits are shown as a very small segment, first visible in 1938, dwarfed by payments for direct relief and work-project earnings, which have been of considerable volume during the past 7 years. The social security and public-aid payments together are in turn dwarfed by compensation of employees, entrepreneurial income, and dividends and interest, although in the future social insurance payments will constitute an increasingly important share of the current stream of income payments in the United States.

In this chart, prepared by the United States Department of Commerce, "compensation of employees" includes not only wages and salaries (less

employee contributions to Federal retirement funds), tips, commissions, bonuses, and payments in kind, but also payments from private pension and retirement plans; workmen's compensation benefits; annuities and refunds to Federal, State, and municipal employees; and pensions and disability benefits to veterans (excluding payments of adjusted-service compensation or "the bonus," which are charted separately as "payments to veterans"). "Entrepreneurial income" includes the amounts withdrawn by farmers, storekeepers, professional practitioners, and other self-employed persons, from the operation of unincorporated enterprises including partnerships and cooperatives. "Dividends and interest" includes cash dividends paid by incorporated business enterprises, interest paid by business enterprises, and net rents and royalties.

"Direct relief" includes payments for general relief other than work relief; payments to recipients of old-age assistance, aid to dependent children, and aid to the blind; and emergency sub-

Chart II.—Index of income payments in the continental United States, January 1929—December 1939



<sup>1</sup> Compensation of employees, entrepreneurial income, and dividends and interest adjusted for seasonal variation.

† Excludes work relief.

Source: U. S. Department of Commerce, National Income Division.

sistence payments to farmers by the Federal Emergency Relief Administration, Resettlement Administration, and Farm Security Administration. Small amounts of work relief were included in direct relief from 1929 through 1932. "Work relief," subsequent to 1932, includes relief and nonrelief earnings on work-relief and administrative projects of the FERA; earnings under the emergency education and student-aid programs of the FERA; earnings under the Civil Works Program; earnings of enrolled and nonenrolled persons in the Civilian Conservation Corps; relief and nonrelief earnings under work programs of the Works Projects Administration, the National Youth Administration, and other Federal agencies; and earnings on State and local relief projects. It will be observed that this series differs from, and in general is somewhat less inclusive than, "earnings of persons employed under Federal work programs in the continental United States," reported in table 1, page 52, of this issue. "Social insurance benefits" include payments under the four social insurance programs co-ordinated in this article. However, before 1938, payments under the Railroad Retirement Act were included in "compensation of employees."

#### **What the Benefit-Payment Figures Represent**

Table 1 presents the figures behind chart I with detail for certain types of payments under the two old-age and survivors programs, and table 2 presents the number of persons receiving each type of benefit.<sup>2</sup> The statistics of each program follow the detailed provisions of the law and its administration, but in each case the fundamental questions are: how much was paid out under the program and to how many persons? Even in so simple a matter as how much was paid out under the programs, one needs to define what the figures mean, particularly in terms of timing and of canceled payments. In table 1 the figures for all programs except State unemployment compensation are net certification figures. That is, they represent the total amounts certified to the Secretary of the Treasury during the month, minus any cancelations or refunds of payments previously certified. Certifications of monthly payments on railroad retirement annui-

<sup>2</sup> Except for lump-sum payments under the Social Security Act, the number of beneficiaries for each program as given in table 2 should not be compared with the figures for payments under the programs as shown in table 1, for purposes of obtaining average payments. See detailed discussions in other sections of the Bulletin for data on average payments.

ties and pensions are for payments on the first of the following month, although certifications for retroactive payments (see p. 32) are payable in the month of certification. The data for State unemployment compensation payments are gross payment figures, representing the total amounts of the weekly checks issued during the month by the State employment security agency or the fiscal agency of the State authorized to issue such payments, without deductions for checks returned and canceled. Since cancelations are now a relatively minor item, this combination of net and gross figures does not seriously distort the relative size of the programs as shown in the chart.<sup>3</sup>

#### **Fluctuations From Month to Month**

Since in both 1938 and 1939 the unemployment compensation payments account for three-fourths of the social insurance payments reported, the fluctuations of the total payments from month to month are influenced most by the fluctuations in the unemployment compensation payments. Chart I indicates a general increase in payments under the Railroad Retirement Act during the period, a general increase in lump-sum payments under the Social Security Act until the August 1939 amendments, and extreme fluctuations in the curve of unemployment benefits. As a short-term program, unemployment compensation will undoubtedly always show wider fluctuations than the other programs, but many special factors contributed to the large fluctuations in these first 2 years.

Benefit-payment operations began at different times, under the different State laws: in July 1936 in Wisconsin, in January 1938 in 22 States, in April in 2, in July in 3, in September in 1, in December in 2, in January 1939 in 18, and in July in 2, counting the District of Columbia, Alaska, and Hawaii as States. Waiting periods of different lengths and administrative factors delayed payments in some States; the chart therefore begins with payments of only 16 States in January 1938 and 23 States in February. By the end of 1938 benefits were being paid in 31 States and only after July 1939 in all 48 States, the District of Columbia, Alaska, and Hawaii.

<sup>3</sup> Comparison of these gross figures for benefit payments with those for benefits charged in which cancelations are reflected indicates that during 1938 cancelations totaled more than \$2 million. Because of changes in benefit-paying procedures in some States, cancelations in 1939 represent a much smaller portion of payments.

While little is known about the duration of benefits paid to claimants in these years, it is clear that limitations on the duration of benefits meant that many covered workers remained unemployed after they had drawn all the benefits to which they were entitled. This was especially the case at the beginning of benefit payments when, in many States, there had not yet been time to record wage credits for a full base period. Decreases in benefit payments in chart I may reflect exhaustion of benefit rights and not reemployment.

Thus, the fluctuations in the monthly amount of unemployment benefits cannot be considered to represent fluctuations in unemployment in the United States, or even in unemployment among covered workers. To a certain degree, the chart

does not reflect fluctuations even in compensable unemployment, since payments are recorded in the month in which the payments were made, not the month in which the unemployment occurred. Though most payments are now made for recent unemployment, the average lag between unemployment and payment has varied from State to State and from month to month.

The large volume of claims from workers unemployed at the beginning of benefit payments in January 1938 plus the continued duration of unemployment during the succeeding months of depression made it difficult for many of the new State agencies to pay benefits currently. Payments on the accumulations of compensable claims account for the peak in March 1938. The level of

Table 1.—Social insurance payments under selected programs, calendar years 1936-39 and by months, January 1938-December 1939<sup>1</sup>

[In thousands]

Year and month	Total	Old-age and survivors insurance payments <sup>2</sup>					Unemployment insurance payments		
		Under the Social Security Act		Under the Railroad Retirement Act			Total	Under State unemployment compensation laws <sup>3</sup>	Under the Railroad Unemployment Insurance Act <sup>4</sup>
		Lump-sum payments at age 65	Lump-sum death payments	Employee annuities and pensions	Survivor and death-benefit annuities	Lump-sum death payments			
1936 total	\$816	\$685	—	—	\$673	\$12	—	\$131	\$131
1937 total	44,218	42,086	\$651	\$627	40,354	454	—	2,132	2,132
1938 total	505,335	108,934	4,706	5,772	96,763	1,381	\$312	396,401	396,401
January	8,829	7,538	345	400	6,703	90	( <sup>5</sup> )	1,291	1,291
February	26,457	7,022	247	318	6,396	59	2	19,435	19,435
March	53,054	9,194	355	481	8,280	76	2	43,860	43,860
April	45,815	9,205	370	454	8,165	203	13	36,610	36,610
May	47,217	8,611	357	439	7,578	117	10	38,606	38,606
June	49,028	9,208	364	498	8,223	111	12	39,820	39,820
July	47,715	9,195	335	448	8,264	117	28	38,520	38,520
August	56,863	9,381	383	444	8,390	129	35	47,482	47,482
September	51,141	9,557	454	558	8,378	130	37	41,584	41,584
October	45,273	10,002	503	579	8,782	112	26	35,271	35,271
November	37,843	9,941	500	575	8,601	112	63	27,902	27,902
December	36,100	10,080	480	578	8,813	125	84	26,020	26,020
1939 total	509,850	124,263	4,674	9,321	107,025	1,445	1,898	435,587	429,820
January	39,432	10,229	559	696	8,738	117	119	29,203	29,203
February	45,074	10,329	518	651	8,588	119	183	34,745	34,745
March	50,405	10,532	700	841	8,625	105	261	48,873	48,873
April	44,055	10,597	658	808	8,508	126	197	33,458	33,458
May	50,637	10,707	709	816	8,804	123	165	29,930	29,930
June	53,770	10,609	673	845	8,805	148	138	43,161	43,161
July	46,384	10,511	620	703	8,929	128	131	25,873	25,873
August	55,613	10,100	137	816	8,984	115	138	45,513	44,491
September	44,989	10,003	—	793	8,965	121	124	34,988	33,656
October	37,960	10,293	—	806	9,180	109	198	27,667	26,690
November	39,556	10,235	—	891	9,097	122	125	29,321	28,360
December	42,975	10,118	—	655	9,232	112	119	32,857	* 31,648

<sup>1</sup> Payments to individual beneficiaries under the programs; figures exclude cost of administration.

<sup>2</sup> Amounts certified to the Secretary of the Treasury for payment. Figures for any month represent vouchers certified during month, including retroactive payments, minus cancellations reported during month. Data on payments under Railroad Retirement Act corrected to Jan. 31, 1940.

<sup>3</sup> Amount of checks issued, as reported by State agencies to the Division of Research and Statistics, Bureau of Employment Security. The number of jurisdictions making such payments has increased as follows: 1936-37, 1; 1938: January, 16; February, 23; April, 25; July, 27; August, 28; September, 29; December, 31; 1939: January, 48; February, 49; July, 51. Operations were

suspended in South Dakota during July 28-Sept. 26, 1939. Figures not adjusted for cancellations and refunds. Data corrected to Mar. 15, 1940.

<sup>4</sup> Amounts certified by regional offices of the Railroad Retirement Board to regional disbursing officers of the Treasury. Figures for any month represent vouchers certified during month, including retroactive payments, minus cancellations reported during month.

<sup>5</sup> Less than \$1,000 (\$302).

<sup>6</sup> Includes \$1.2 million paid in Ohio as adjustments on payments for previous months of 1939, resulting from recalculation of weekly benefit amounts in accordance with a court decision.

payments fell as the backlog was eliminated and as benefit rights available in the first benefit year were exhausted. The addition of each new group of benefit-paying States and the beginning of second benefit years especially in January and July 1939 resulted, within 2 or 3 months, in new peaks of payments. However, the general trend of benefit payments has not kept pace with the number of benefit-paying States and the consequent increase in covered workers eligible for benefits when unemployed.

With all States paying unemployment compensation in 1940 and with the administrative adjustments of the first year behind them, the figures for benefit payments in 1940 will more accurately reflect the curve of compensable unemployment.

The fluctuations in the monthly payments under the Railroad Retirement Act arise from adminis-

trative causes. The amounts certified each month as employee annuities and pensions (to former railroad pensioners) and as survivor and death-benefit annuities include, in addition to the regular monthly payments to persons on the rolls, payments for previous months on newly certified annuities and retroactive adjustments on recertified annuities. In some cases new certifications of employee annuities run back to June 1938, the first month for which annuities were payable. These retroactive certifications may obscure the actual growth in the monthly obligations of the system, since the number of new certifications and recertifications varies considerably from month to month as a result of administrative factors. In contrast to the apparent rise and fall in payments (table 1), the number of persons on the rolls for railroad employee annuities and pensions (table 2) shows a continuous increase monthly.

Table 2.—*Individuals receiving social insurance payments under selected programs, by months, January 1938-December 1939*

Year and month	Old-age and survivors insurance beneficiaries					Unemployment insurance beneficiaries	
	Under the Social Security Act		Under the Railroad Retirement Act			Under State unemployment compensation laws <sup>4</sup>	Under the Railroad Unemployment Insurance Act <sup>5</sup>
	Lump-sum payments at age 65	Lump-sum death payments	Employee annuities and pensions <sup>1</sup>	Survivor and death-benefit annuities <sup>2</sup>	Lump-sum death payments <sup>3</sup>		
1938							
January	10,812	12,726	90,512	1,032	2		
February	6,935	9,359	92,730	1,064	31		
March	9,098	12,760	96,318	1,133	52		
April	8,126	11,244	101,103	1,325	114		
May	7,301	10,010	103,439	1,427	240		
June	7,119	10,942	106,784	1,456	218		
July	6,097	8,893	109,167	1,546	305		
August	6,579	8,244	112,063	1,617	584		
September	7,400	9,724	114,609	1,803	686		
October	7,794	9,721	117,142	1,851	545		
November	7,412	9,287	119,716	2,025	597		
December	7,167	8,957	121,555	2,075	1,359		
1939							
January	8,289	10,458	122,979	2,128	1,735	657,208	
February	7,744	9,746	124,614	2,177	1,933	769,770	
March	9,527	12,143	126,123	2,322	2,575	833,159	
April	8,352	11,007	127,382	2,397	2,193	685,073	
May	8,634	10,634	128,593	2,469	1,552	776,006	
June	7,906	10,329	129,685	2,554	1,295	802,209	
July	7,409	8,332	130,672	2,600	849	764,885	18,271
August	1,499	9,447	131,532	2,602	1,214	797,235	30,454
September		8,589	132,621	2,707	867	729,929	50,234
October		8,613	133,695	2,705	1,344	501,714	30,587
November		9,422	134,893	2,741	1,171	637,020	28,323
December		6,761	136,065	2,755	747	658,295	37,307

<sup>1</sup> Number of individuals on the rolls at end of month specified, based on month in which annuity or pension was certified or terminated upon notice of death rather than on month in which annuity or pension began to accrue or beneficiary died.

<sup>2</sup> Widows receiving both survivor and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1.

<sup>3</sup> Based on months ended on 20th calendar day; 2 or more individuals sharing 1 lump-sum payment are counted as 1.

<sup>4</sup> Number of individuals receiving benefits during middle week of month

specified, except that for 5 States in January 1939 and 1 in February and March number of payments in midweek is substituted for number of individuals receiving payments, and that for 9 States beginning benefit payments in January number of payments in final week of January is included. Data for 1938 not available.

<sup>5</sup> Number of benefit certifications for days of unemployment in registration periods of 15 consecutive days, during second and third weeks of month specified.

<sup>6</sup> Excludes individuals receiving adjusted payments in Ohio (see table 1, footnote 6).

The amount of individual lump-sum payments— $3\frac{1}{2}$  percent of total taxable wages after December 31, 1936, under the Social Security Act and 4 percent under the Railroad Retirement Act—obviously tends to increase with the passage of time. The total amounts paid out for such purposes therefore tend to increase from month to month unless the number of such payments decreases. Tables 1 and 2 show great fluctuations in the number and amount of lump-sum payments under the Railroad Retirement Act, the result of administrative factors, such as staff available for certification, and the stage of the development of procedures. However, there is an upward trend in lump-sum payments under both programs—the result of increasing average payments rather than of increasing numbers of payments. Lump-sum payments at age 65 under the Social Security Act ceased in August 1939 in accordance with amendments to the act. For some months to come, lump-sum death payments will be made, but in decreasing number, to survivors of covered workers who died before January 1, 1940.

In comparing month-to-month changes in table 1, it should be recognized that the monthly amounts of payments under all the programs are affected by the length of the month, particularly the number of working days in the month. This factor is least important in the payments for continuing monthly benefits, but it affects even these series because of its influence on the number of new certifications added during the month. The length of the month is most important in the State unemployment compensation payments, which are generally on a weekly basis. The longer the month, the larger will be the number of continuously unemployed claimants who have 5 rather than 4 compensable weeks ending within the month.

#### **Data on Beneficiaries Under Selected Programs**

In these first coordinated statistics of the number of beneficiaries under four social insurance programs, it is necessary to explain how beneficiaries under each program are counted in table 2. The figures for recipients of lump-sum payments under both the Social Security Act and the Railroad Retirement Act are the actual number of certifications for these nonrecurring payments, counting as a single item certifications to more than one survivor of a covered worker. The figures given

for railroad retirement annuities and pensions are the total number of retired workers on the rolls at the end of the month. These figures are based on the month in which each annuity was certified, rather than the first month for which it was certified. Terminations by death are deducted in the month in which the death was reported to the Railroad Retirement Board rather than the month in which it occurred. The resulting in-force figures correspond better with the payment figures in table 1 than would figures corrected to date of accrual and date of death. The series for survivors and death-benefit annuitants is not an unduplicated count, since in each of the months shown in the table 100-250 widows have received both a lifetime annuity under a joint and survivor election and a 12-month death-benefit annuity under the 1935 Railroad Retirement Act.

No figures are available, on a Nation-wide basis, for the number of individuals who received unemployment compensation during 1938 or during any week or month of the year. For 1939 one series is available—the number of claimants receiving benefits during the middle week of each month. Obviously these data tend to underestimate the total number of different individuals who received one or more benefit payments during the month; they may represent an overstatement or understatement of the *average* number receiving benefits during any month. From month to month they provide, however, a rough measure of the trend in the number of beneficiaries of unemployment compensation.

Since railroad unemployment insurance payments are certified for days of unemployment within a period of 15 consecutive days, the number of payments in 1 week of the month is no measure of the number of railroad workers who receive benefits during the month. It is believed that the total of the number of payments in the second and third weeks of each month gives the figure most nearly comparable with the number in the midmonth week used in State unemployment compensation.

Because the seven columns of table 2 are on four different bases, no monthly totals are shown for the beneficiaries of these programs. Obviously, participation in the program has a different significance for individuals who receive a single lump-sum payment, for those who draw unemployment compensation for 1 or more weeks, and

for those on the rolls for monthly retirement payments for life. The data do not require an estimated unduplicated total comparable to the estimates for total numbers of individuals and households which have been carried, since October 1939, in the table on recipients of public assistance and persons employed under Federal work programs. As a matter of fact, there is probably little duplication of beneficiaries under the various social insurance programs. Most State unemployment compensation laws provide that no claimant may receive benefits for a week for which he receives old-age benefits under title II of the Social Security Act or unemployment benefits under the law of another State or of the United States (thus including the Railroad Unemployment Insurance Act<sup>4</sup>), except that if such benefits are less than he would receive under the State unemployment compensation law, he may receive the difference. This limitation to benefits under one program depends on the State laws, however; there is no similar restriction in title II.

Moreover, it is possible for an individual to receive simultaneously payments under both the Railroad Retirement Act and the old-age and survivors insurance provisions of the Social Security Act. Thus the survivor of a worker who died before January 1, 1940, having earned wages during 1937-39 in both railroad employment and employment covered by the Social Security Act, would properly draw lump-sum benefits under the two systems. In future months it will be possible for a retired worker to receive monthly benefits as an employee annuitant under the Railroad Retirement Act and as a primary annuitant under the Social Security Act, on the basis of employment with one or more railroad employers after December 31, 1936 (and, under certain conditions,<sup>5</sup> employment prior to January 1, 1937) and employment in half the calendar quarters after 1936 with one or more employers subject to the Social Security Act.

<sup>4</sup> The Railroad Unemployment Insurance Act similarly provides that no claimant may receive benefits for "any day in any period with respect to which . . . he is receiving, has received, or has a right to receive . . . annuity payments or pensions under the Railroad Retirement Act of 1935 or the Railroad Retirement Act of 1937, or old-age benefits under title II of the Social Security Act or . . . unemployment benefits under an unemployment compensation law of any State or of the United States other than this act" (sec. 4 (a) (v)).

<sup>5</sup> Provided he was in the active service of an employer under the Railroad Retirement Act, or in an employment relation to such an employer, on August 29, 1935, under the 1937 act, on or after that date under the 1935 act. The maximum credited service is 30 years.

There is some duplication among recipients of social insurance and of public assistance as well as among beneficiaries under the different social insurance programs. Insurance benefits based upon wages may be more than adequate or inadequate for needs; in the latter cases, they may be supplemented by one or more of the special types of public assistance, if the insurance beneficiary is otherwise eligible, or by general relief payments. There is both official and public insistence that relief funds must be conserved for persons without rights to social insurance benefits or those with rights to benefits inadequate for their needs. This insistence has placed upon the relief agency, as supplementing agency, the responsibility for checking the insurance rights of relief applicants and the adequacy of insurance benefits. Tables published regularly in *Statistics for Urban Areas* (see p. 68) show the overlapping in certain cities between unemployment compensation and general relief and the shifting from general relief to unemployment benefits and to general relief after unemployment benefits are exhausted. According to available data, the number of persons receiving both unemployment compensation and relief has been small in proportion to the total number receiving either unemployment compensation or general relief. Similar statistics will be available later for overlapping between monthly payments under old-age insurance and both general relief and old-age assistance, and between monthly payments to widows and orphans under old-age and survivors insurance and aid to dependent children.

#### *Other Social Insurance Payments*

While the four programs discussed above are the only social insurance programs for which monthly data on payments and beneficiaries are available currently, not all the social insurance payments in the United States are made under these programs. Payments under workmen's compensation laws and under retirement systems for public employees and certain payments under the Veterans' Administration are essentially social insurance.

For almost three decades payments have been made under State workmen's compensation laws. Such payments were made first to workmen temporarily or permanently disabled by accidents at work and to the survivors of those killed in such accidents; later, in many States, to workers disabled by certain occupational diseases and to

their survivors. Even though some such laws are voluntary for employers in certain types of industries and most of the laws permit self-insurance or insurance through private insurance companies, they may be called social insurance because they represent governmental action in lifting certain insecurities from workmen by the pooling of risks. Even the "elective" laws put pressure upon employers to pool their risks in that they remove the employers' common-law defenses against responsibility for the results of accidents to their employees.

If the amounts paid out currently under 46 State laws, 3 Federal laws, and 4 Territorial laws<sup>6</sup> were included in chart I and table 1, they would represent an increase of perhaps 50 percent in total payments.<sup>7</sup> According to figures assembled by the Division of Labor Standards of the Department of Labor, cash payments under all these laws in 1937 probably exceeded \$250 million. Since only 7 States operate through exclusive State funds, and 11 others through competitive State funds, the problem of assembling statistics from all the private insurance carriers has made it difficult to measure currently the total contributions of workmen's compensation to the purchasing power of the workers affected. It is hoped that such data may be developed later.

Another type of program which antedates the present social insurance programs for workers in private employment provides for retirement benefits for public employees, and in some cases for payments to their survivors. Though such programs are comparable in many respects to the formal "pension" plans of private employers, they may be considered as rounding out the social insurance programs, since the workers covered are excluded from the Federal old-age and survivors insurance program and since the programs involve public contribution or public management or both. No thoroughgoing current reporting of the payments to aged and disabled government employees and to their survivors has ever been attempted. Although coverage of such workers is far from complete, such reporting would involve assembling data from 21 different Federal systems

and 18 State-wide retirement systems,<sup>8</sup> from teachers'-retirement systems in 33 States and Hawaii, and from retirement systems in more than 500 cities. Estimates of the payments to these retired Federal, State, and municipal employees indicate that they exceeded those to retired railroad workers reported in table 1.

At the Federal level there are both contributory and noncontributory retirement systems. Under 10 contributory systems, 60,000 retired Federal workers are receiving more than \$5 million a month. These contributory systems include the civil-service retirement system for all persons in the classified civil service of the United States and similar systems for Canal Zone and Alaska Railroad employees, administered by the Civil Service Commission, and for the Foreign Service, administered by the State Department. Separate systems are maintained for policemen and firemen and for public-school teachers of the District of Columbia, and special systems for employees of the Federal Reserve Board, the Tennessee Valley Authority, the Examining Division of the Office of the Comptroller of the Currency, and for civilian teachers at the United States Naval Academy. In coverage, annuitants, and benefits paid, the civil-service retirement system probably accounts for more than 90 percent of the Federal contributory systems.

Under the noncontributory systems, another 35,000 annuitants are receiving \$4 million per month. These 11 noncontributory systems provide mainly for "retired pay" to commissioned officers and enlisted men of the United States Army, Navy, Marine Corps, and Coast Guard; commissioned officers of the Coast and Geodetic Survey and Public Health Service; the Army and Navy Nurse Corps; certain employees of the Lighthouse Service; judges of the United States Courts and justices of the Supreme Court; and the Hawaiian judiciary. Lump-sum survivors' benefits are provided only in the case of the death, before retirement, of commissioned officers of the Army, Navy, Marine Corps, and Coast Guard. Payments under these noncontributory systems are not so clearly insurance payments as payments based on employee contributions. They are included here because they are awarded on the

<sup>6</sup> All States except Mississippi and Arkansas (which passed a law in 1939, not yet effective); 3 laws passed by Congress—for civilian employees, longshoremen and harbor workers, and the District of Columbia; and the laws of Alaska, Hawaii, the Philippines, and Puerto Rico.

<sup>7</sup> In chart II, these payments are included in "compensation of employees." If they had been segregated, social insurance payments would have been shown throughout the period covered by the chart, but of scarcely perceptible proportions until 1938.

<sup>8</sup> Hawaii and 17 States. 4 States pay noncontributory pensions, 1 of these only on a needs basis. Of the 14 contributory systems, 7 provide for State employees only; 5, including Hawaii, for State and local employees; and 2 for local employees only.

basis of past service, which was indicated above as one of the distinguishing characteristics of social insurance. In their effect on the individual beneficiaries, on the labor market, and on income payments, the noncontributory public retirement systems are definitely similar to the contributory systems.

The annuitants under State retirement systems, teachers'-pension plans, general retirement programs for county and city employees, and special plans for firemen or policemen or both are estimated at almost 100,000; their monthly benefits probably exceed \$6 million. Many of these plans include survivors' benefits, especially the plans for firemen and policemen which insure against the special hazards of these occupations in much the same way as workmen's compensation laws.

Most of the payments to individuals by the Veterans' Administration may be considered social insurance in the broad sense. These are special payments based on one small segment of previous employment—the war-time employment of these members of the civilian population—and not on the basis of need. In cases of service-connected disabilities, veterans' pensions and survivors' allowances are comparable to payments under workmen's compensation. So also are the payments to disabled emergency officers of the World War and pensions for enlisted men discharged from military or naval service (the "Regular Establishment") because of service-connected disability incurred in time of peace. Payments of these types are now being made to World War veterans at the rate of almost \$20 million per month. Another \$1.5 million per month is being paid to World War veterans with non-service-

connected disabilities and \$350,000 per month to the survivors of such veterans. Veterans' pensions and survivors' allowances aggregating \$13 million per month are also being paid with respect to service in the wars of the United States up to the World War. Some of these payments are undoubtedly for service-connected disabilities; others are old-age payments, comparable in many respects to payments under the noncontributory retirement systems. Other payments to individuals by the Veterans' Administration are of a different character—for example, the payments of adjusted-service compensation (the "bonus") for World War veterans, which bulked so large on chart II in 1931 and 1936, and payments for military and naval insurance ("war-risk" insurance), and United States Government life insurance.

#### *In Summary*

The tables and chart I have presented in some detail the social insurance payments to individuals under the Social Security Act, the Railroad Retirement Act, the State unemployment compensation laws, and the Railroad Unemployment Insurance Act. In 1938 these amounted to more than \$500 million; in 1939, to \$560 million. The dimensions of other social insurance programs have been indicated in much more general terms. Workmen's compensation payments of a quarter of a billion, retirement payments to Federal, State, and local public employees aggregating \$180 million, and social insurance payments to veterans of almost \$400 million bring the total social insurance payments in the United States close to \$1.4 billion a year.

# EMPLOYMENT SECURITY

## BUREAU OF EMPLOYMENT SECURITY

BEGINNING with January 1940 the data for employment security operations are based on the revised statistical reporting program. This program was modified to provide more complete data for appraisal of the extent to which employment security objectives are being achieved and also for analysis of administrative activities. Among the significant items previously not available but now being reported are data on weeks of unemployment compensated, classified according to type of unemployment; more complete informa-

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with a consequent misleading presentation of the trend in the volume of recipients of unemployment benefits.

Data on initial claims, primarily significant for administrative purposes, are no longer reported in the Bulletin, although such information is available on request. Instead, emphasis is placed on continued-claims data which represent completed weeks of unemployment. Data on the financial status of unemployment compensation funds, which previously appeared monthly, will be carried quarterly hereafter, since most States collect contributions on a quarterly basis.

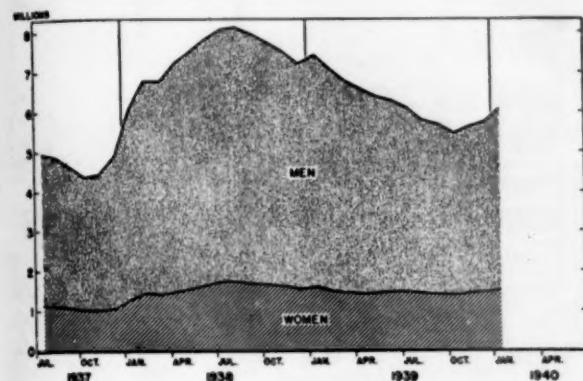
### Review of the Month

Unemployment compensation claims and benefit payments increased sharply in January as the volume of production and employment slackened in the major industrial activities of the country. More than 6 million continued claims were received during the month, the highest volume received in any month since May 1939, and benefit payments to unemployed workers rose more than 34 percent from December to nearly \$41 million. More than 4 million weeks of unemployment were compensated, and a weekly average of 877,000 unemployed workers received unemployment benefits during the month. The volume of placements made by the public employment services also declined, in accordance with the usual pattern of the winter months; January was the third consecutive month of decreased placements.

### Employment Changes

Increasing unemployment was the major factor underlying the expansion in claims and payments, although the availability of additional wage credits following the initiation of new benefit years contributed considerably to the increases in many States. This latter factor is significant, since it indicates that unemployed workers who previously had exhausted benefit rights could, with the initiation of a new benefit year, again obtain benefits. The reduction in employment was primarily seasonal, although employment

Chart I.—*Active file of men and women registrants at public employment offices as of the end of the month, July 1937-January 1940*



tion on the amount of benefits paid under the interstate benefit-payment plan; and data on experience-rating operations and on duration of unemployment benefits. A weekly average of unemployed workers receiving benefits, based on an average of the weeks of unemployment compensated, has been substituted for the figure formerly reported on number of individual recipients in the middle week of the month. The weekly average number of unemployed workers receiving benefits will be more typical of the trend in the number of recipients, although it will somewhat underestimate the total number of different individual recipients of benefit payments in any one month. Experience during the past year indicates that the count of individual recipients in one week is unduly influenced by administrative procedures, holidays, and other factors,

Table 1.—Status of State accounts in the unemployment trust fund, by regions and States, fiscal year 1939-40 through January<sup>1</sup>

[In thousands]

Region <sup>2</sup> and State	Balance as of June 30, 1939	Fiscal year 1939-40 through January			
		Deposits	Interest credited <sup>3</sup>	Withdrawals	Balance as of Jan. 31, 1940
Total	\$1,273,609	\$497,261	\$17,340	\$240,343	\$1,547,867
Region I:					
Connecticut	21,565	8,910	307	4,348	27,200
Maine	2,355	2,300	37	1,250	3,442
Massachusetts	60,443	21,070	822	11,200	71,135
New Hampshire	4,540	2,148	63	920	5,831
Rhode Island	7,538	5,728	106	3,670	9,702
Vermont	2,286	804	32	300	2,912
Region II:					
New York	140,839	88,086	2,001	44,000	186,946
Region III:					
Delaware	4,627	1,234	64	300	5,625
New Jersey	80,566	23,533	1,101	6,925	98,275
Pennsylvania	75,767	41,438	1,037	25,500	92,742
Region IV:					
District of Columbia	13,153	3,903	182	725	16,513
Maryland	10,775	9,000	168	2,475	17,468
North Carolina	13,641	7,068	192	1,850	19,051
Virginia	13,604	5,025	187	2,000	16,816
West Virginia	8,894	5,845	123	2,000	12,862
Region V:					
Kentucky	21,541	5,343	288	1,956	25,216
Michigan	43,775	32,557	545	22,350	54,527
Ohio	113,312	29,361	1,516	18,558	130,631
Region VI:					
Illinois	153,885	37,450	2,044	22,000	171,379
Indiana	27,165	14,848	383	4,650	37,746
Wisconsin	43,405	8,393	569	2,050	50,317
Region VII:					
Alabama	9,307	5,050	130	2,300	12,196
Florida	12,587	3,030	155	3,275	12,497
Georgia	17,567	3,999	230	1,900	19,896
Mississippi	3,257	1,410	46	635	4,078
South Carolina	8,982	1,701	113	1,157	9,639
Tennessee	10,636	4,640	148	2,625	12,799
Region VIII:					
Iowa	11,784	4,150	160	1,800	14,294
Minnesota	17,324	9,749	254	3,000	24,327
Nebraska	8,100	2,275	112	640	9,847
North Dakota	1,974	620	27	204	2,417
South Dakota	2,235	660	31	93	2,833
Region IX:					
Arkansas	5,786	2,060	80	835	7,091
Kansas	11,554	2,797	157	957	13,531
Missouri	41,507	12,249	565	3,350	50,971
Oklahoma	12,849	3,769	173	1,830	14,961
Region X:					
Louisiana	13,644	5,831	183	2,825	16,833
New Mexico	2,515	850	33	640	2,758
Texas	37,562	12,840	513	5,500	45,415
Region XI:					
Arizona	2,086	1,180	29	760	2,535
Colorado	9,437	2,597	124	1,675	10,483
Idaho	2,327	1,080	23	650	2,790
Montana	6,049	1,600	78	1,135	6,592
Utah	2,565	1,704	37	900	3,406
Wyoming	2,304	761	31	530	2,566
Region XII:					
California	124,084	44,868	1,703	22,250	148,405
Nevada	1,561	579	20	505	1,655
Oregon	6,478	2,885	87	1,725	8,725
Washington	19,047	5,725	256	3,050	21,978
Territories:					
Alaska	820	400	11	190	1,041
Hawaii	4,005	1,059	54	245	4,873

<sup>1</sup> Federal contributions from employers have been collectible in all States since Jan. 1, 1936. Employee contributions on wages earned are also required by Alabama, California, Kentucky, Louisiana, New Jersey, and Rhode Island. For data for fiscal years 1937-38 and 1938-39, see the *Bulletin*, August 1939, p. 79.

<sup>2</sup> Social Security Board administrative regions.

<sup>3</sup> Interest is credited at the end of each quarter of fiscal year.

<sup>4</sup> Under provision of the Connecticut law, administrative grants equal to the preliminary and "liquidating" amount to be transferred to the railroad unemployment insurance account are to be withheld by the Social Security Board, and the State is permitted to withdraw from unemployment compensation funds the amounts necessary for administrative purposes, up to the amount so withheld. As of Jan. 31, 1940, \$783,000 had been withheld.

Source: U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits.

Table 2.—Collections deposited in State clearing accounts in January 1940, and funds available for benefits as of Jan. 31, 1940, by regions and States

[Data reported by State agencies, corrected to Mar. 6, 1940]

Region <sup>1</sup> and State	Collections deposited <sup>2</sup>		Funds available for benefits as of Jan. 31, 1940
	January 1940	Percentage change from January 1939	
Total	\$120,811	+17.3	\$1,617,601
Region I:			
Connecticut	3,017	-2.2	30,160
Maine	819	-8.1	4,161
Massachusetts	4,687	+5.7	74,224
New Hampshire	847	(*)	6,147
Rhode Island	1,569	(*)	10,563
Vermont	110	-29.0	3,081
Region II:			
New York	20,196	(*)	191,680
Region III:			
Delaware	634	+44.4	6,272
New Jersey	5,625	+28.0	103,860
Pennsylvania	4,714	+26.6	97,229
Region IV:			
District of Columbia	867	+36.5	17,172
Maryland	3,064	+26.1	18,486
North Carolina	1,177	+8.9	19,182
Virginia	834	-38.5	17,674
West Virginia	974	-7.1	13,900
Region V:			
Kentucky	1,495	-32.2	26,930
Michigan	11,148	+36.2	55,159
Ohio	3,639	-25.0	133,779
Region VI:			
Illinois	11,638	+38.6	180,870
Indiana	4,444	+18.4	37,945
Wisconsin	1,002	-53.2	50,554
Region VII:			
Alabama	1,479	-31.6	12,963
Florida	844	-39.7	13,628
Georgia	641	(*)	21,063
Mississippi	666	(*)	4,686
South Carolina	802	(*)	10,089
Tennessee	982	+17.9	13,565
Region VIII:			
Iowa	1,183	(*)	15,453
Minnesota	2,777	+155.7	25,251
Nebraska	984	-2.8	10,718
North Dakota	96	-22.0	2,425
South Dakota	183	-28.8	2,913
Region IX:			
Arkansas	426	-12.2	7,328
Kansas	904	-18.6	14,342
Missouri	4,137	+35.7	52,768
Oklahoma	574	(*)	15,078
Region X:			
Louisiana	1,152	+7.7	17,700
New Mexico	259	-17.8	2,888
Texas	2,024	-7.3	46,663
Region XI:			
Arizona	420	+19.0	2,917
Colorado	810	-4	11,229
Idaho	208	-41.7	3,097
Montana	614	-12.4	7,180
Utah	667	-5.3	3,759
Wyoming	228	-29.4	2,705
Region XII:			
California	10,956	+79.5	155,426
Nevada	164	-15.0	1,758
Oregon	1,612	(*)	9,277
Washington	2,746	(*)	24,613
Territories:			
Alaska	57	+9.6	1,117
Hawaii	416	(*)	5,269

<sup>1</sup> Social Security Board administrative regions.

<sup>2</sup> Includes contributions plus such penalties and interest collected from employers as are available for benefit payments, plus redeposits of dishonored contribution checks, minus refunds of contributions and dishonored contribution checks.

<sup>3</sup> Computed on basis of comparable States. See footnote 4.

<sup>4</sup> Not computed, since data for States that shifted either wholly or in part from a monthly contribution basis to a quarterly contribution basis during 1939 are not comparable.

<sup>5</sup> Increase of more than 1,000 percent.

declined in some industries which usually experience increased employment at this time of the year. The inclement weather during January

adversely affected certain lines of business, particularly trade, where the normal post-holiday lay-offs were intensified, and construction. Most

Table 3.—Continued claims received, number of weeks compensated, and amount of benefits paid, by regions and States, January 1940

[Data reported by State agencies, corrected to Feb. 28, 1940]

Region <sup>1</sup> and State	Continued claims			Weeks compensated			Benefits paid					
	Number	Type		Number	Types of unemployment			Amount <sup>2</sup>	Percentage change from December	Types of unemployment		
		Waiting period	Compensable		Total	Partial and part-total combined <sup>3</sup>	Partial only <sup>4</sup>			Total	Partial and part-total combined <sup>3</sup>	Partial only <sup>4</sup>
Total <sup>5</sup>	6,031,187	1,785,280	4,245,907	4,018,744	3,603,963	318,075	-----	\$40,952,500	+34.5	\$38,515,174	\$2,094,405	-----
Region I:												
Connecticut	89,538	33,103	56,435	46,152	41,970	4,182	(*)	444,496	+56.2	419,800	24,316	(*)
Maine	46,228	9,034	37,194	36,248	30,016	6,232	(*)	245,523	-4	211,074	33,554	(*)
Massachusetts	270,109	55,733	211,376	184,009	184,009	(*)	(*)	1,824,331	+0.1	1,824,331	(*)	(*)
New Hampshire	30,109	10,060	20,049	20,676	14,956	5,720	(*)	162,791	+1.3	152,124	30,657	(*)
Rhode Island	80,531	17,681	62,550	62,550	53,285	9,565	(*)	590,502	+45.7	547,278	43,224	(*)
Vermont	17,399	7,017	10,382	8,684	7,747	937	788	70,102	+95.4	74,543	4,514	33,448
Region II:												
New York	860,008	237,923	622,085	629,577	629,577	(*)	(*)	7,497,775	+34.1	7,497,775	(*)	(*)
Region III:												
Delaware	12,568	3,836	8,732	8,602	7,148	1,544	1,423	72,154	+52.6	64,198	7,854	7,002
New Jersey	255,824	104,010	151,814	128,058	128,058	(*)	(*)	1,181,582	+27.6	1,180,715	(*)	(*)
Pennsylvania	539,341	176,932	362,409	366,264	366,264	(*)	(*)	4,028,545	+53.4	4,028,545	(*)	(*)
Region IV:												
District of Columbia	29,827	10,564	19,233	17,248	16,605	643	(*)	146,341	+42.7	142,249	4,092	(*)
Maryland	92,439	14,767	77,672	57,162	49,996	7,106	6,690	525,500	+47.6	456,540	44,144	41,204
North Carolina	94,131	29,549	64,532	58,781	(*)	(*)	(*)	286,800	+44.0	196,277	9,332	1,712
Virginia	73,418	24,338	49,080	48,368	46,005	2,363	1,848	366,435	+40.5	355,447	12,962	8,711
West Virginia	44,577	13,691	30,886	26,897	26,337	560	560	218,013	+43.6	214,394	3,619	(*)
Region V:												
Kentucky	82,978	41,134	41,844	34,633	34,239	304	(*)	276,598	+45.7	272,400	2,488	(*)
Michigan	204,666	52,703	151,903	145,745	141,118	7,627	(*)	1,700,065	+11.7	1,715,786	44,309	(*)
Ohio	334,298	98,848	235,448	241,178	190,758	35,698	(*)	7,278,196	+69.8	2,011,498	201,731	(*)
Region VI:												
Illinois	417,387	78,358	330,029	326,413	244,359	82,054	58,625	3,817,143	+22.2	3,193,507	618,892	408,010
Indiana	114,395	40,841	73,554	73,455	60,538	12,917	(*)	728,575	+28.3	655,571	72,703	(*)
Wisconsin	112,984	53,140	89,844	53,288	47,292	5,996	3,002	525,134	+60.0	490,551	34,583	20,036
Region VII:												
Alabama	51,160	1,012	50,148	50,801	45,521	5,280	3,327	248,939	+22.6	314,575	33,632	22,523
Florida	57,755	14,036	43,719	41,688	36,620	5,048	(*)	375,873	+24.0	341,693	34,180	(*)
Georgia	67,656	21,394	46,262	44,916	41,751	3,165	2,603	291,470	+14.3	277,937	13,533	11,033
Mississippi	82,057	15,350	36,707	29,068	28,330	775	(*)	167,078	+43.2	163,900	3,010	(*)
South Carolina	45,416	13,624	31,792	31,441	25,890	5,551	2,716	197,369	+32.5	169,917	27,372	12,787
Tennessee	114,389	24,771	89,618	71,681	67,209	4,472	1,430	511,504	+44.7	491,146	20,220	6,003
Region VIII:												
Iowa	88,610	37,855	48,755	47,687	42,307	5,380	1,633	437,078	+79.2	404,235	32,042	8,883
Minnesota	120,258	42,103	87,155	77,628	72,745	4,883	(*)	708,040	+45.6	761,770	36,151	(*)
Nebraska	28,274	8,631	19,443	18,321	17,290	1,031	458	169,168	+60.0	161,756	7,412	3,044
North Dakota	9,443	3,355	6,088	5,141	4,813	328	36	50,049	+45.9	47,595	2,454	301
South Dakota	7,563	2,865	4,698	4,613	4,275	338	(*)	36,400	+46.6	34,128	2,262	(*)
Region IX:												
Arkansas	44,071	14,470	29,601	29,601	27,699	1,902	316	174,631	+36.4	164,200	8,079	1,674
Kansas	30,006	17,738	21,268	20,368	17,898	2,470	1,247	188,523	+28.8	173,069	15,454	7,070
Missouri	126,665	33,440	73,225	63,669	55,615	8,054	3,687	554,251	+11.5	516,742	37,539	14,290
Oklahoma	63,563	22,012	41,551	38,995	33,639	5,356	1,029	373,988	+35.2	338,888	35,130	8,753
Region X:												
Louisiana	90,711	22,793	67,918	60,062	50,960	3,102	(*)	473,984	+40.1	454,781	19,105	(*)
New Mexico	16,779	4,303	12,386	10,729	9,740	989	683	100,328	+14.0	92,976	7,352	4,768
Texas	196,701	90,521	106,180	123,418	108,952	14,466	(*)	958,413	+9.2	884,235	73,917	(*)
Region XI:												
Arizona	16,627	4,240	12,387	11,716	11,183	563	49	129,785	+14.4	125,533	4,262	267
Colorado	44,582	10,873	33,509	32,780	29,171	3,609	1,884	331,302	+41.0	307,147	23,942	10,329
Idaho	34,370	11,688	22,682	17,186	16,188	1,028	(*)	196,277	+107.6	187,870	8,575	(*)
Montana	45,713	12,562	33,151	29,811	29,811	(*)	(*)	332,788	+65.2	332,640	(*)	(*)
Utah	22,635	5,283	17,352	16,627	15,043	1,584	481	177,782	+63.0	166,466	11,316	3,482
Wyoming	15,500	4,746	10,754	10,524	9,386	1,138	701	138,387	+50.5	128,692	9,695	5,414
Region XII:												
California	595,001	102,815	492,276	445,482	370,265	40,004	(*)	5,093,130	+11.0	4,580,738	345,582	(*)
Nevada	12,235	2,358	9,877	8,358	7,813	545	69	108,642	+26.9	103,350	5,262	650
Oregon	93,368	64,762	26,606	19,067	17,190	1,807	(*)	233,900	-8.4	218,638	15,278	(*)
Washington	114,970	37,872	77,098	74,677	67,651	7,026	(*)	905,885	+51.3	846,750	59,135	(*)
Territories:												
Alaska <sup>6</sup>	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Hawaii	6,466	1,236	5,240	5,224	3,691	1,533	1,495	41,377	+9	31,976	9,401	9,136

<sup>1</sup> Social Security Board administrative regions.

<sup>2</sup> Benefits for partial unemployment are not provided by State law in Massachusetts, Mississippi, Montana, New Jersey, New York, and Pennsylvania. Of these, only Mississippi provides for payments of less than full weekly benefit amount for total unemployment, i. e., "part-total" unemployment.

<sup>3</sup> Includes supplemental payments, not classified by type of unemployment.

<sup>4</sup> Excludes Alaska.

<sup>5</sup> Data not reported.

<sup>6</sup> Data for partial unemployment included with data for part-total unemployment.

<sup>7</sup> Figures for January exclude 2,865 payments amounting to \$70,075 resulting from recalculations of weekly benefit amounts.

Table 4.—Average number of claimants receiving benefits, number receiving first payments, and number exhausting benefit rights during January 1940, by regions and States

[Data reported by State agencies, corrected to Feb. 19, 1940]

Region <sup>1</sup> and State	Aver- age number of claim- ants receiv- ing ben- efits <sup>2</sup>	Claimants receiv- ing first payments		Claimants ex- hausting benefit rights	
		Number	Per- centage change from De- cember	Number	Per- centage change from De- cember
Total	877,410	4,453,111	+55.4	236,530	+23.8
Region I:					
Connecticut	10,116	8,617	+78.0	3,013	+51.8
Maine	8,145	3,336	-15.7	1,455	+19.8
Massachusetts	44,516	36,589	+83.6	14,005	+24.5
New Hampshire	4,008	2,111	-6.7	1,139	+13.8
Rhode Island	13,654	9,966	+70.5	8,393	+90.6
Vermont	1,969	1,295	+174.9	343	+14.7
Region II:					
New York	136,057	57,711	+32.3	38,542	+34.1
Region III:					
Delaware	1,780	1,512	+106.6	770	+65.2
New Jersey	27,900	18,314	+56.3	8,704	+18.8
Pennsylvania	78,696	41,191	+92.3	24,941	+33.8
Region IV:					
District of Columbia	3,748	1,794	+47.0	776	-48.1
Maryland	12,834	5,000	+65.8	3,221	+50.4
North Carolina	13,657	9,296	+106.3	1,882	+31.1
Virginia	9,585	7,590	+80.5	2,555	+28.7
West Virginia	5,938	2,826	+55.8	1,403	+12.2
Region V:					
Kentucky	7,940	3,666	+79.5	1,932	+27.5
Michigan	32,611	17,890	+99.9	6,367	+21.2
Ohio	52,803	18,785	+55.6	9,979	+85.3
Region VI:					
Illinois	70,242	33,475	+19.1	13,886	+4.6
Indiana	16,514	( <sup>3</sup> )		3,027	+9.7
Wisconsin	12,081	( <sup>3</sup> )		8,263	+61.3
Region VII:					
Alabama	11,485	3,187	+6.1	1,795	+19.3
Florida	9,424	5,528	+67.0	3,113	-9.0
Georgia	9,569	4,364	+16.1	3,338	+22.5
Mississippi	6,142	5,034	+83.0	1,244	+9.6
South Carolina	6,908	4,148	+84.9	1,310	+42.4
Tennessee	15,076	6,515	+64.6	2,791	+19.0
Region VIII:					
Iowa	9,776	8,807	+115.0	2,089	-1
Minnesota	16,155	11,813	+238.1	3,639	+64.1
Nebraska	4,072	2,578	+119.2	1,117	+46.0
North Dakota	1,113	690	+101.2	262	+32.3
South Dakota	994	414	+35.7	290	+47.2
Region IX:					
Arkansas	4,539	4,146	+44.6	1,311	+35.0
Kansas	4,499	2,690	+31.8	1,831	+37.4
Missouri	13,685	11,627	+137.4	3,810	-18.1
Oklahoma	8,166	6,959	+98.4	3,231	+19.2
Region X:					
Louisiana	12,815	4,907	+27.4	4,083	+58.7
New Mexico	2,410	963	+44.6	498	+6.2
Texas	26,756	14,000	+11.8	9,047	+23.0
Region XI:					
Arizona	2,617	1,235	+19.9	774	+4.0
Colorado	7,150	3,877	+103.8	1,572	+37.9
Idaho	3,570	2,354	+152.8	917	+57.6
Montana	6,410	4,237	+92.5	555	+13.5
Utah	3,572	2,305	+66.7	955	+43.4
Wyoming	2,328	1,195	+77.8	856	+70.1
Region XII:					
California	100,825	40,952	+15.5	24,360	+36.5
Nevada	1,855	690	-26.2	422	+34.4
Oregon	3,942	5,702	+127.5	1,426	-43.0
Washington	14,872	10,814	+141.4	5,005	+23.4
Territories:					
Alaska <sup>4</sup>	1,195	416	-21.2	293	+11.4
Hawaii					

<sup>1</sup> Social Security Board administrative regions.

<sup>2</sup> Represents average number of weeks of unemployment compensated during weeks ended within month.

<sup>3</sup> Excludes Alaska.

<sup>4</sup> Excludes Alaska, Indiana, and Wisconsin.

<sup>5</sup> Represents claimants exhausting benefit rights under uniform-duration provisions of State law.

<sup>6</sup> Represents claimants exhausting maximum benefit rights, which are based on weeks of employment instead of wage credits in base period.

<sup>7</sup> Data not comparable.

<sup>8</sup> Data not reported.

States reported declines in employment in these industries.

Employment losses occurred in both durable and nondurable-goods industries. In the New England area, employment declines were reported by Vermont in quarrying, textiles, and leather and its products; Rhode Island, in the textile mills and in miscellaneous manufactures; Massachusetts, in miscellaneous manufactures, shoes, and textiles; and Connecticut, in textiles. In the Middle Atlantic area, Pennsylvania reported losses of employment in coal mining and in the steel industry; New Jersey indicated continued reductions in employment in industries that showed declines late in December. In the South Atlantic area, West Virginia reported a decrease in coal mining; North Carolina, in tobacco and silk hosiery; South Carolina, in textiles and in the tobacco industry; Virginia, in service; and Florida, in the cigar industry. In the East South Central area, Tennessee reported curtailed employment in service and manufacturing, and Mississippi, in textiles, lumber, and other building materials. In the Great Lakes area, Illinois reported a general seasonal decline in business activity, particularly in the steel industry; Wisconsin, a sharp drop in employment in the iron and steel industry, transportation equipment, and other metal-working industries, and the nondurable manufactures; and Michigan reported reduced employment in the Detroit district and in the canning, mining, and resort areas.

In the Midwest, Iowa reported decreased employment in building materials and consumer-goods industries; Minnesota, in ore mining and lake shipping; Nebraska, in building materials and beet sugar; and Missouri reported reductions in working hours in the shoe industry and seasonal shut-downs in cotton ginning. In Oklahoma, there were shut-downs in cotton ginning and cotton-mill activities, as well as in bituminous-coal mining. In the Rocky Mountain area, Colorado reported decreased employment in building materials, smelting, steel, and reduced working hours in coal mining and in the apparel industry; Idaho, in lumber; Montana, in lumber and service; Nevada, in mining and service; and Wyoming, in construction materials and beet sugar. On the West Coast, general seasonal declines in employment continued to be the chief factor in the increased claim receipts.

## Insurance Activities

As a consequence of the general declines in employment, widespread increases occurred in the amount of benefit payments, with decreases in only two States, Maine and Oregon. Only 9 of the 48 States with larger payments showed increases of less than 20 percent. The most pronounced expansion occurred in Idaho, where payments doubled; substantially greater disbursements were also reported by Iowa, Montana, Nebraska, Ohio, Utah, Vermont, and Wisconsin. Disbursements in California, Illinois, Massachusetts, Michigan, New York, Ohio, and Pennsylvania accounted for nearly 65 percent of the January payments, a proportion which was almost the same as in December. Despite the marked increase over December, the group of 31 States which paid benefits prior to January 1939 reported benefit payments in January 1940 as only 3.6 percent higher than in the corresponding months of 1939.

Data on weeks of unemployment compensated, by type of unemployment, are available for the first time since the initiation of the unemployment compensation program. The count of weeks of total unemployment compensated represents man-weeks of unemployment for which benefits were paid; partial and part-total weeks of unemployment are those in which the worker was not fully employed but for which benefits were paid. Out of 4 million weeks compensated in January, the seven States mentioned above as paying 65 percent of the total benefits accounted for 58 percent of the total number of weeks compensated. The largest proportions of partial and part-total unemployment occurred in Hawaii, Illinois, and New Hampshire, where such weeks of unemployment represented more than 25 percent of all compensable weeks of unemployment.

Data on continued claims (weeks of full and partial unemployment) classified as compensable and waiting-period claims have not been previously available. Percentage changes for total continued claims are not shown, since the data are not strictly comparable with continued-claims data reported during 1939. In contrast to the continued-claims reports made in 1939, the data reported for 1940 exclude continued claims taken as agent State and include those received as liable State. It is believed, however, that this differ-

Table 5.—Number of weeks of unemployment compensated and amount of benefits paid on interstate claims<sup>1</sup> received as liable and as agent State, by regions and States, January 1940

[Data reported by State agencies, corrected to Mar. 1, 1940]

Region <sup>2</sup> and State	Number of weeks of unemployment compensated on interstate claims received as—		Amount of benefits on interstate claims received as—	
	Liable State	Agent State	Liable State	Agent State
Total <sup>3</sup>	161,507	161,507	\$1,804,906	\$1,804,906
Region I:				
Connecticut	2,943	1,783	32,406	20,766
Maine	1,462	981	11,690	10,773
Massachusetts	4,468	4,665	49,215	49,147
New Hampshire	1,704	1,230	16,002	12,035
Rhode Island	2,067	1,518	23,658	16,618
Vermont	486	532	4,887	6,002
Region II:				
New York	16,503	8,062	201,003	95,913
Region III:				
Delaware	759	457	7,684	4,924
New Jersey	3,600	4,131	39,030	45,177
Pennsylvania	5,778	5,860	68,552	64,182
Region IV:				
District of Columbia	235	1,355	2,779	13,629
Maryland	1,672	1,977	17,712	20,506
North Carolina	1,519	1,711	9,260	16,819
Virginia	2,642	2,174	24,267	20,503
West Virginia	1,546	1,476	13,252	16,514
Region V:				
Kentucky	1,528	2,439	13,906	26,881
Michigan	7,236	3,123	93,800	34,218
Ohio	5,575	3,835	61,959	44,265
Region VI:				
Illinois	11,636	5,863	157,652	65,402
Indiana	2,309	3,128	26,483	37,083
Wisconsin	585	1,850	7,050	23,196
Region VII:				
Alabama	2,487	2,426	21,709	23,405
Florida	2,662	9,030	27,583	105,901
Georgia	2,127	2,461	18,340	24,212
Mississippi	1,495	1,968	12,528	19,494
South Carolina	1,046	1,033	8,806	8,923
Tennessee	2,864	3,387	26,971	35,323
Region VIII:				
Iowa	2,322	2,836	24,773	34,517
Minnesota	2,073	2,541	22,728	30,026
Nebraska	2,023	1,729	20,877	20,018
North Dakota	625	719	6,862	7,898
South Dakota	545	791	4,768	8,827
Region IX:				
Arkansas	2,656	3,845	21,125	41,813
Kansas	2,338	2,600	24,351	28,935
Missouri	3,030	6,379	29,688	70,023
Oklahoma	2,759	5,237	29,463	50,612
Region X:				
Louisiana	3,593	2,785	28,680	28,181
New Mexico	2,467	1,225	26,558	13,076
Texas	5,708	7,201	56,424	80,411
Region XI:				
Arizona	2,790	2,511	32,651	27,501
Colorado	3,329	2,725	36,620	31,762
Idaho	2,111	2,068	25,002	24,886
Montana	3,632	1,482	42,558	19,331
Utah	1,132	1,676	13,001	20,226
Wyoming	2,574	655	36,998	7,283
Region XII:				
California	17,631	20,081	192,444	231,651
Nevada	2,438	1,186	33,088	14,070
Oregon	969	5,081	12,019	61,404
Washington	5,793	4,654	73,779	53,801
Territories:				
Alaska	( <sup>4</sup> )	163	( <sup>5</sup> )	1,788
Hawaii	125	180	1,468	2,248
Unallocated		2,072		\$23,717

<sup>1</sup> Includes claims for partial unemployment for a number of States, although such payments are not provided in the interstate benefit-payment plan.

<sup>2</sup> Social Security Board administrative regions.

<sup>3</sup> Excludes Alaska.

<sup>4</sup> Excludes 489 payments amounting to \$12,863 arising from recalculation of benefit amounts in Ohio.

<sup>5</sup> Data not reported.

<sup>6</sup> Includes 2,067 weeks amounting to \$23,658 for Rhode Island and 5 weeks amounting to \$60 for Colorado as liable States for which break-down by agent State was not reported.

ence will only slightly affect the comparability of the data.

The estimated number of benefit recipients is based on the number of weeks of unemployment

during the month divided by the number of weeks ending within the month. These data are substituted for the count of individual benefit recipients in the midweek, since the latter figures were

Table 6.—Activities of public employment services for all registrants, by regions and States, January 1940

[Data reported by State agencies, corrected to Feb. 23, 1940]

Region <sup>1</sup> and State	Complete placements					Supplemental placements	Applications received		Active file		
	Total	Private			Public		Number	Percentage change from—		As of Jan. 31, 1940	
		Total	Percentage change from—	Regular (over 1 month)				Decem- ber 1939	January 1939		
<b>Total</b>	<b>220,190</b>	<b>195,615</b>	<b>—16.6</b>	<b>+51.1</b>	<b>101,320</b>	<b>24,575</b>	<b>34,041</b>	<b>1,590,206</b>	<b>+23.2</b>	<b>+12.7</b>	<b>6,021,544</b>
<b>Region I:</b>											
Connecticut	4,018	3,467	+1.9	+54.4	2,055	551	152	26,281	+37.3	+41.9	94,358
Maine	1,311	1,178	+4.0	+13.9	834	133	47	11,094	+38.2	-11.1	35,313
Massachusetts	3,724	3,237	+7.5	+101.8	2,370	487	25	44,670	+23.8	+72.7	195,108
New Hampshire	1,750	1,481	-7.9	-15.6	1,108	278	557	7,621	+11.0	+17.1	21,611
Rhode Island	(4)	(4)						10,782	+42.9	+14.9	(4)
Vermont	591	567	-17.6	+15.5	263	24	11	3,847	-11.8	+10.2	17,991
<b>Region II:</b>											
New York	19,439	18,234	-11.3	+62.0	9,445	1,205	1,096	207,286	+25.8	+22.9	602,547
<b>Region III:</b>											
Delaware	804	799	-30.5	+96.8	340	5	8	5,871	+108.8	+12.6	14,459
New Jersey	8,429	7,736	-9.0	+150.0	4,853	603	1,520	68,035	+35.6	+33.4	286,808
Pennsylvania	9,634	8,603	-14.9	+81.0	5,714	941	1,319	131,501	+41.5	+26.6	432,622
<b>Region IV:</b>											
District of Columbia	3,210	3,109	+6.2	+26.5	1,304	101	6	13,904	+65.2	+44.3	38,314
Maryland	2,866	2,560	-13.8	+68.1	1,321	306	36	32,445	+104.0	+28.5	70,279
North Carolina	5,080	4,139	-12.3	+19.8	2,062	941	44	30,710	+14.1	-6.3	97,910
Virginia	3,782	3,244	+2.3	+73.1	2,094	538	170	26,066	+20.8	+6.7	61,308
West Virginia	1,956	1,883	-32.2	-5.0	1,099	73	227	24,820	+29.6	+22.0	77,026
<b>Region V:</b>											
Kentucky	1,576	1,455	-8.4	+88.0	897	121	160	21,689	+58.5	-2.8	85,570
Michigan	7,332	6,978	-15.9	+69.6	4,585	354	234	78,622	+33.6	+31.1	210,602
Ohio	10,379	10,063	-19.1	+124.6	5,491	316	671	85,205	+37.3	-7.9	268,755
<b>Region VI:</b>											
Illinois	12,268	11,581	-9.9	+25.6	5,935	687	655	57,697	+19.5	+105.1	201,574
Indiana	5,839	5,755	-25.0	+31.9	3,249	84	828	44,374	+13.1	+18.7	186,340
Wisconsin	4,905	4,110	-8.0	+47.3	2,183	795	921	34,307	+20.8	-3.5	154,707
<b>Region VII:</b>											
Alabama	3,058	2,780	-14.4	+10.6	1,882	278	205	23,702	+10.1	+14.8	152,363
Florida	3,899	3,334	-13.3	(3)	2,588	565	75	15,852	-16.6	(3)	72,501
Georgia	5,679	4,931	-1.9	+170.4	2,236	748	106	22,005	-2.9	-33.2	190,434
Mississippi	2,670	1,478	-17.2	+42.5	948	1,192	249	18,606	-3.3	-11.5	76,137
South Carolina	2,101	1,402	+14.2	+99.4	871	699	35	9,512	+41.4	-9.5	99,545
Tennessee	3,622	3,082	-4.8	+19.8	1,099	540	343	13,717	+18.2	-4.7	138,051
<b>Region VIII:</b>											
Iowa	5,340	4,087	-4.4	+27.6	1,370	1,253	136	24,057	+22.1	+28.6	101,241
Minnesota	3,378	3,063	-13.9	+12.9	1,715	315	298	32,563	+58.6	+41.1	143,228
Nebraska	1,547	1,127	-1	+68.0	482	420	55	9,876	-9.6	-28.3	51,033
North Dakota	984	947	-44.0	+7.2	468	37	51	6,738	+45.8	+25.0	27,521
South Dakota	736	684	-22.4	+7	247	52	5	4,976	-2.9	+17.2	31,621
<b>Region IX:</b>											
Arkansas	2,300	1,979	-31.7	+68.0	1,043	321	461	12,723	+70.0	-8.2	62,315
Kansas	2,434	2,181	-3.6	+137.1	782	253	199	20,659	+46.1	+7.1	46,343
Missouri	5,383	5,169	-12.3	+137.1	2,831	214	40	56,296	+9.5	+34.2	187,431
Oklahoma	2,996	2,451	-41.6	+67.2	731	545	275	25,749	+15.0	-1.3	92,267
<b>Region X:</b>											
Louisiana	3,707	3,375	-10.0	+12.8	2,306	332	100	25,057	+26.7	-36.6	105,128
New Mexico	1,034	862	-28.1	+29.4	520	172	1,088	5,248	+8.9	+4.3	37,648
Texas	26,304	23,422	-32.8	+19.5	6,833	2,882	14,536	59,117	+10.5	-22.3	288,578
<b>Region XI:</b>											
Arizona	3,250	2,799	-26.5	+114.8	1,736	451	5,034	9,476	+10.5	+46.7	25,240
Colorado	3,219	2,053	-15.5	+93.5	864	166	258	18,725	+11.7	-27.5	65,625
Idaho	927	886	-31.7	+21.9	420	41	25	7,220	+6.8	+5.8	17,038
Montana	636	453	-23.1	-5.0	298	183	121	6,377	+43.0	+36.9	32,760
Utah	1,079	924	-22.4	+126.5	169	155	103	11,137	+21.3	-1.3	24,799
Wyoming	410	223	-34.8	+4.7	72	187	2	3,924	+21.6	-36.1	10,982
<b>Region XII:</b>											
California	15,105	13,566	-9.9	+9.4	6,787	1,539	638	130,994	+7.7	+9.3	584,018
Nevada	854	758	+1.9	+23.5	317	96	19	3,253	+23.8	+24.6	7,645
Oregon	3,869	3,162	+3.1	+125.1	1,413	707	523	20,101	+9.9	+40.0	49,604
Washington	4,502	3,508	-26.1	+200.6	1,899	994	368	22,851	+1.8	+32.8	127,409
<b>Territories:</b>											
Alaska	458	91	-9.9	+93.6	37	367	16	851	+13.2	-4.8	2,804
Hawaii	807	569	+74.0	+300.7	257	238	3	2,008	-7.0	+16.0	9,853

<sup>1</sup> Social Security Board administrative regions.

<sup>2</sup> Excludes Rhode Island.

<sup>3</sup> Excludes Florida; State employment service not in complete operation during January 1940.

<sup>4</sup> Data not reported.

highly influenced by administrative factors. The estimated number of benefit recipients for weeks ended within the month for all jurisdictions except Alaska indicated that an average of 877,000 claimants received benefits in January. Four States—California, Illinois, New York, and Pennsylvania—accounted for 44 percent of the total. A special tabulation for the single week in which the largest number of weeks of unemployment were compensated disclosed that there were over 1 million such weeks.

Claimants receiving first payments during January numbered 453,100, the largest volume since August 1939. For States with comparable data, the total number of such claimants was 55 percent greater than in December, with increases reported throughout the country. Minnesota reported the largest increase, an expansion of 3½ times the volume for the previous month; the number of first-payment recipients more than doubled in 11 other States. In only 6 of the 44 States reporting larger numbers of first-payment recipients were the increases less than 25 percent. Fewer first payments than in the previous month were reported only by Hawaii, Maine, Nevada, and New Hampshire. Excluding Alaska, the number of claimants exhausting benefit rights increased about 24 percent from December to a total of 236,500. Twenty-one of the 44 States indicating a greater number of benefit exhaustions reported increases of 33 percent or more; Ohio, Rhode Island, and Wyoming showed the most marked increases. For the country as a whole, the number of claimants receiving first payments was almost double the number of claimants exhausting benefit rights. Since most States began benefit payments in January of 1938 or 1939, the month of January marks the beginning of new benefit years for many claimants, with the result that first payments in the early months of each calendar year exceed benefit exhaustions.

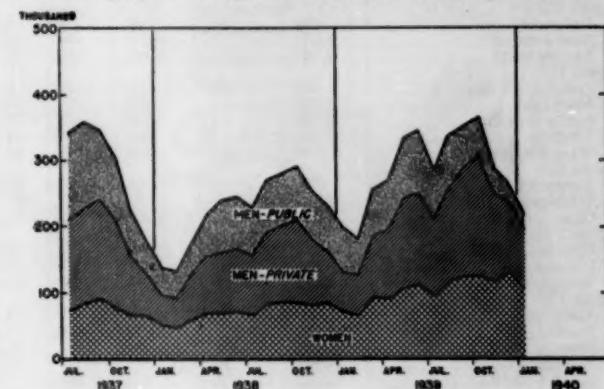
With the exclusion of Alaska, 161,500 weeks of unemployment were compensated on interstate claims in January. A majority of the Middle Atlantic, Southern, Midwestern agricultural, and Pacific Coast States reported more man-weeks of unemployment compensated on interstate claims received as agent States than as liable States. On the other hand, New York, the majority of the States in New England, and the Midwestern industrial, Southwestern, and Western States re-

ceived more interstate claims as liable States. Three large industrial States—New York, Michigan, and Illinois—and four Western States—New Mexico, Montana, Wyoming, and Nevada—compensated about twice the number of weeks of unemployment as liable States as were represented by claims received as agent States. In compensation for these weeks of unemployment, \$1.8 million in benefits was paid to workers who filed claims in States other than those in which they earned wages in covered employment.

#### Placement Activities

As employment opportunities were further restricted during January, another decline in the volume of placements made by the public employment offices was recorded. Out of a total of more than 220,000 complete placements, 195,800 were in private jobs. The reduction in private place-

Chart II.—*Placements of men and women by public employment offices, July 1937–January 1940*



ments in January was entirely due to the 32-percent decline in placements in temporary private jobs, since regular private placements registered a 6-percent increase over December. Despite the decrease of 17 percent from December in private placements, the volume far exceeded that for any previous January in the history of the employment service. The number of private placements was more than 50 percent higher than in January 1939 and more than double the number of such placements in the corresponding month of 1938.

Declines in private placements were general. Of the States reporting decreases, more than half had decreases of 15 percent or more. Of the 9 States which showed a gain in private placements

during January, the most pronounced increase—74 percent—was in Hawaii. Despite the widespread character of the decreases from December, only three States—Montana, New Hampshire, and West Virginia—did not show an increase

over the corresponding month of 1939. In 11 States the volume of private placements made in January 1940 was more than double the number of such placements made in the corresponding month last year.

Table 7.—Activities of public employment services for men and women, by regions and States, January 1940

[Data reported by State agencies, corrected to Feb. 23, 1940]

Region <sup>1</sup> and State	Men						Women					
	Complete placements			Applications received	Active file as of Jan. 31, 1940	Total	Complete placements			Public	Applications received	Active file as of Jan. 31, 1940
	Total	Private	Public			Total	Total	Private	Public			
Total	114,153	91,090	41,992	23,063	1,153,903	4,535,754	106,037	104,525	59,328	1,512	436,303	1,485,790
Region I:												
Connecticut	2,197	1,656	952	541	17,657	65,302	1,821	1,811	1,103	10	8,624	29,056
Maine	817	686	424	131	8,458	26,560	494	492	410	2	2,636	8,744
Massachusetts	1,865	1,422	1,020	443	28,288	121,691	1,859	1,815	1,350	44	16,382	73,417
New Hampshire	1,335	1,090	812	245	5,651	14,904	424	391	296	33	1,970	6,617
Rhode Island	(1)	(1)	(1)	(1)	6,240	(1)	(1)	(1)	(1)	(1)	4,542	(1)
Vermont	296	275	93	21	2,714	13,394	205	202	170	3	1,133	4,597
Region II:												
New York	7,556	6,380	3,388	1,176	140,716	420,279	11,883	11,854	6,057	29	66,570	182,268
Region III:												
Delaware	253	249	143	4	4,380	10,392	551	550	197	1	1,491	4,067
New Jersey	2,782	2,220	1,525	562	43,246	193,087	5,647	5,516	3,328	131	24,789	93,721
Pennsylvania	4,101	3,207	2,278	894	97,636	330,421	5,533	5,486	3,436	47	33,865	102,301
Region IV:												
District of Columbia	963	805	310	98	9,197	25,559	2,217	2,214	904	3	4,707	12,755
Maryland	1,730	1,424	672	306	24,853	53,847	1,136	649	0	7,592	16,432	
North Carolina	2,795	1,875	749	921	22,151	67,905	2,284	2,264	1,313	20	8,559	30,005
Virginia	1,909	1,471	945	528	19,333	45,751	1,783	1,773	1,149	10	6,733	15,557
West Virginia	785	721	480	64	20,454	64,700	1,171	1,162	619	9	4,366	12,326
Region V:												
Kentucky	794	673	387	121	17,327	67,148	782	782	510	0	4,362	18,422
Michigan	3,807	3,475	2,203	332	60,063	173,686	3,525	3,503	2,382	22	18,559	45,916
Ohio	4,608	4,340	2,366	268	64,146	204,876	5,771	5,723	3,125	48	21,059	63,879
Region VI:												
Illinois	5,673	5,026	2,309	647	39,004	148,674	6,595	6,555	3,626	40	18,693	52,900
Indiana	2,296	2,232	1,221	64	31,745	144,723	3,543	3,523	2,028	20	12,629	41,617
Wisconsin	2,551	1,828	779	723	24,165	124,965	2,354	2,282	1,404	72	10,142	29,832
Region VII:												
Alabama	1,839	1,565	1,018	274	18,871	124,241	1,219	1,215	864	4	4,831	28,122
Florida	2,007	1,451	1,080	556	11,305	53,337	1,892	1,883	1,508	9	4,547	19,164
Georgia	3,704	2,973	979	731	15,399	142,708	1,975	1,958	1,257	17	6,606	47,726
Mississippi	1,888	703	347	1,185	15,300	63,429	782	775	601	7	3,306	12,708
South Carolina	1,473	780	402	663	7,358	77,564	628	622	469	6	2,154	21,961
Tennessee	1,612	1,081	617	531	8,676	101,635	2,010	2,001	1,382	9	5,041	34,416
Region VIII:												
Iowa	3,042	2,106	537	936	17,377	78,064	2,298	1,981	833	317	6,680	23,177
Minnesota	1,432	1,132	640	300	23,662	110,303	1,946	1,931	1,075	15	8,901	32,925
Nebraska	1,012	608	158	404	7,494	41,092	535	519	324	16	2,382	9,941
North Dakota	345	315	166	30	5,176	21,973	639	632	302	7	1,562	5,548
South Dakota	337	288	83	49	3,707	24,696	399	396	164	3	1,269	6,925
Region IX:												
Arkansas	1,149	854	258	295	9,744	50,403	1,151	1,125	785	26	2,979	11,912
Kansas	1,410	1,170	288	240	16,353	37,916	1,024	1,011	494	13	4,306	8,427
Missouri	2,560	2,366	1,023	194	43,242	141,881	2,822	2,803	1,808	20	13,054	45,550
Oklahoma	1,541	1,012	165	529	20,277	77,074	1,455	1,439	566	16	5,472	15,193
Region X:												
Louisiana	1,634	1,311	876	323	19,251	85,692	2,073	2,064	1,430	9	5,806	19,436
New Mexico	620	456	280	164	4,247	31,700	414	406	240	8	1,001	5,948
Texas	16,840	13,983	2,519	2,857	42,886	220,479	9,464	9,439	4,314	25	16,231	68,099
Region XI:												
Arizona	2,376	2,028	1,320	348	7,840	20,853	874	771	416	103	1,636	4,387
Colorado	1,187	1,038	325	149	14,268	53,690	1,032	1,015	539	17	4,457	11,935
Idaho	410	374	119	36	6,071	15,298	517	512	301	5	1,158	1,740
Montana	453	272	180	181	5,405	27,218	183	181	115	2	972	5,542
Utah	481	333	34	148	8,977	20,672	598	591	135	7	2,160	4,227
Wyoming	276	94	24	182	3,165	9,071	134	129	48	5	759	1,911
Region XII:												
California	7,857	6,361	2,849	1,496	92,086	427,431	7,248	7,205	3,938	43	38,908	156,587
Nevada	566	475	221	91	2,657	6,229	288	283	96	5	596	1,416
Oregon	2,674	2,000	987	674	16,204	40,408	1,195	1,162	426	33	3,897	9,196
Washington	3,121	2,317	1,224	804	17,449	102,909	1,381	1,191	675	190	5,402	24,500
Territories:												
Alaska	394	56	24	338	740	2,623	64	35	13	29	111	271
Hawaii	679	443	193	236	1,292	7,302	128	126	64	2	716	2,551

<sup>1</sup> Social Security Board administrative regions.

<sup>2</sup> Excludes Rhode Island.

<sup>3</sup> Data not reported.

More than 34,000 supplemental placements were made during January, an increase of nearly 10 percent over the number made in January 1939. These placements represent jobs in which the public employment offices assisted materially in locating jobs for workers but did not perform

all the steps of making a complete placement.

The 1.6 million applications for work received at public employment offices during January was the largest number received in any month since

Table 8.—Activities of public employment services for veterans, by regions and States, January 1940

[Data reported by State agencies, corrected to Feb. 28, 1940]

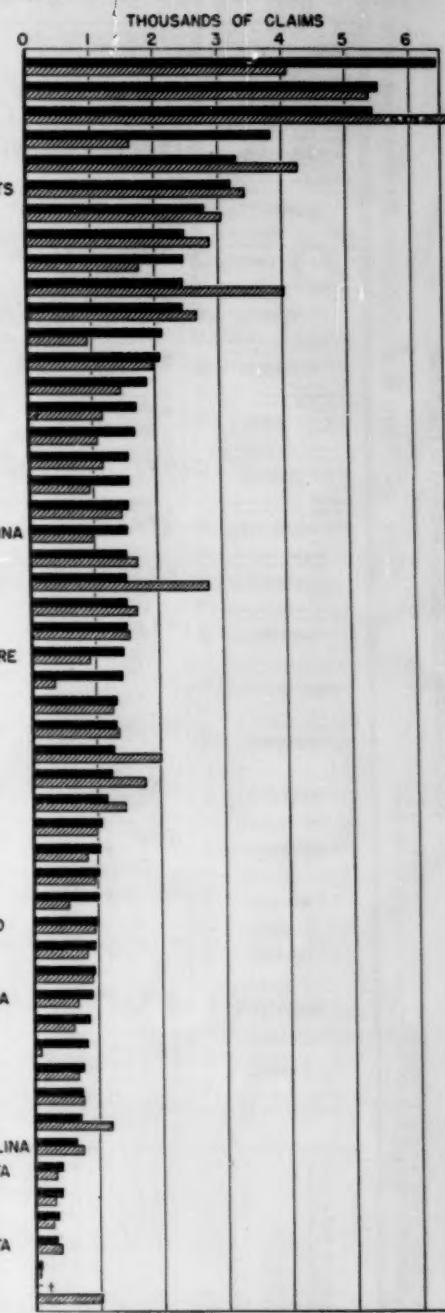
Region <sup>1</sup> and State	Complete placements			Applications received	Active file as of Jan. 31, 1940
	Total	Private	Public		
Total.....	18,100	5,618	2,452	59,880	259,329
Region I:					
Connecticut.....	270	103	167	1,117	4,505
Maine.....	76	36	40	539	1,574
Massachusetts.....	109	87	22	1,366	7,294
New Hampshire.....	102	65	37	344	966
Rhode Island.....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	296	( <sup>2</sup> )
Vermont.....	18	15	3	115	865
Region II:					
New York.....	388	308	80	4,225	16,807
Region III:					
Delaware.....	21	21	0	284	662
New Jersey.....	157	114	43	1,750	8,222
Pennsylvania.....	278	182	96	4,777	17,227
Region IV:					
District of Columbia.....	85	69	16	683	2,196
Maryland.....	109	79	30	1,386	3,173
North Carolina.....	126	77	49	739	2,430
Virginia.....	86	58	28	573	1,699
West Virginia.....	46	41	5	997	3,838
Region V:					
Kentucky.....	52	43	9	853	3,547
Michigan.....	283	263	20	3,981	11,591
Ohio.....	349	308	41	3,853	12,082
Region VI:					
Illinois.....	777	280	497	1,948	5,872
Indiana.....	128	120	8	1,721	10,511
Wisconsin.....	156	77	79	1,818	8,924
Region VII:					
Alabama.....	88	83	5	767	5,331
Florida.....	74	55	19	652	3,300
Georgia.....	155	133	22	526	5,744
Mississippi.....	51	21	30	440	1,750
South Carolina.....	59	31	28	247	3,434
Tennessee.....	98	60	38	417	5,944
Region VIII:					
Iowa.....	406	303	103	1,256	5,963
Minnesota.....	122	94	28	1,453	9,801
Nebraska.....	84	42	42	441	2,386
North Dakota.....	18	16	2	222	1,270
South Dakota.....	27	22	5	179	1,811
Region IX:					
Arkansas.....	70	51	19	574	2,991
Kansas.....	121	94	27	967	2,516
Missouri.....	217	206	11	2,997	9,405
Oklahoma.....	181	126	55	1,224	6,314
Region X:					
Louisiana.....	68	55	13	603	3,274
New Mexico.....	20	14	6	340	1,995
Texas.....	818	662	156	1,712	9,117
Region XI:					
Arizona.....	134	122	12	482	1,336
Colorado.....	73	64	11	861	3,534
Idaho.....	88	71	17	386	729
Montana.....	32	21	11	381	1,867
Utah.....	60	6	54	555	1,380
Wyoming.....	21	5	16	233	646
Region XII:					
California.....	712	560	152	6,235	32,639
Nevada.....	57	50	7	185	453
Oregon.....	360	143	217	1,093	2,796
Washington.....	197	136	61	883	7,055
Territories:					
Alaska.....	40	4	36	67	195
Hawaii.....	31	22	9	45	368

<sup>1</sup> Social Security Board administrative regions.

<sup>2</sup> Excludes Rhode Island.

<sup>3</sup> Data not reported.

Chart III.—Comparison of out-of-State initial claims received as liable and forwarded as agent State, October-December 1939



RECEIVED AS LIABLE STATE

FORWARDED AS AGENT STATE

<sup>†</sup> District of Columbia accepts no out-of-State claims as liable State.

Table 9.—Number of out-of-State initial<sup>1</sup> claims received as liable State and forwarded as agent State; October—December 1939

(Data reported by State agencies, corrected to Feb. 9, 1940)

**Liable State\***

Agent State	Total	2,773	1,026	941	999	1,425	2,429	888	4,500	1,522	417	2,064	2,456	1,233	2,410	681	629	307	1,466	3,281	724	414	1,668	1,401	968	921	1,410		
Alabama	11	1	2	1	7	12	2	41	40	0	34	15	6	0	11	3	24	2	138	53	1	0	0	4	17	1	4		
Alaska	0	5	0	1	0	0	0	5	0	0	25	70	9	4	1	0	0	0	0	0	0	0	0	0	0	0	0		
Arizona	44	18	4	47	0	12	65	37	1	1	25	206	16	3	16	12	0	1	12	79	19	2	0	0	9	2	9	4	
Arkansas	201	13	18	15	20	22	15	34	15	7	3	16	23	12	0	0	0	0	0	0	0	0	0	0	0	0	0	13	
California	669	172	105	457	22	151	150	662	19	61	271	609	444	120	47	7	52	0	0	11	8	55	50	0	18	12	1	10	209
Colorado	66	36	72	32	20	73	0	240	8	0	6	0	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	
Connecticut	0	0	0	1	20	61	2	111	4	0	0	1	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	
District of Columbia	8	0	1	1	2	133	0	97	1	1	1	18	7	7	5	118	63	52	0	70	30	2	20	90	5	37	37	7	
Florida	35	2	7	5	15	0	415	0	140	7	5	118	63	52	0	70	30	2	20	90	5	37	37	7	7	7	7		
Georgia	7	0	0	0	4	18	0	71	113	0	0	16	3	132	0	126	34	0	0	6	40	2	8	2	0	0	0	0	
Hawaii	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Idaho	6	127	42	61	21	3	2	2	2	0	2	6	4	15	93	1	1	1	1	1	1	1	1	1	1	1	1	1	70
Illinois	467	13	47	3	65	12	3	248	17	30	170	130	14	81	17	8	9	93	125	6	6	6	9	2	2	2	2	266	
Indiana	59	2	3	4	14	4	2	108	2	8	2	182	20	3	25	1	3	1	62	20	1	1	1	9	2	2	2	24	
Iowa	95	16	108	2	2	3	19	14	5	10	16	10	17	10	1	1	2	31	1	1	23	2	2	2	2	2	24		
Kansas	225	7	64	15	0	3	33	11	1	1	120	6	2	16	5	1	1	8	3	127	10	103	5	0	4	4	4	24	
Kentucky	41	2	4	5	1	15	0	12	6	3	30	16	2	17	28	5	11	4	0	0	1	1	1	1	1	1	1		
Louisiana	43	1	4	5	0	187	17	0	50	2	0	3	0	0	0	8	30	2	0	0	1	0	16	5	0	3	2		
Maine	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Maryland	10	0	1	1	1	899	117	0	453	16	0	123	7	0	15	4	1	161	18	22	0	10	5	3	0	168	0	30	
Massachusetts	55	8	11	3	5	32	2	167	6	0	125	12	5	12	5	12	9	1	4	62	27	1	1	1	1	1	1	126	
Michigan	28	1	20	6	1	1	5	1	7	1	12	11	0	0	125	6	3	3	62	27	1	1	1	1	1	1	1	125	
Minnesota	26	1	2	17	5	10	23	17	5	1	167	6	0	167	5	12	9	1	1	1	1	1	1	1	1	1	1	122	
Mississippi	16	12	15	17	8	0	0	49	3	0	49	31	3	3	178	14	24	2	0	0	12	0	0	0	0	0	0	0	42
Missouri	14	14	15	0	1	1	2	0	7	0	0	7	10	15	6	1	2	0	0	0	30	5	19	6	0	0	0	0	304
Montana	63	18	8	0	5	6	13	0	1	2	0	12	2	0	15	6	13	2	0	0	0	0	3	0	0	0	0	0	11
Nevada	9	19	4	0	1	1	0	5	6	0	42	6	0	1	0	0	0	10	27	0	0	0	0	0	0	0	0	19	
New Hampshire	3	0	1	1	1	1	1	0	9	0	0	9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
New Jersey	13	0	0	1	0	9	0	0	0	0	1	620	38	0	27	0	7	31	15	0	5	8	1	7	51	1	14		
New Mexico	16	3	4	8	6	67	69	0	3	0	0	7	0	0	43	4	0	312	31	15	0	1	1	1	1	1	1	8	
New York	46	10	8	6	6	57	67	80	1	1	60	130	13	3	13	7	6	632	112	68	2	36	45	66	154	18	62		
North Carolina	8	3	1	1	1	67	80	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	
North Dakota	1	67	1	3	0	1	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Ohio	82	3	5	3	3	45	1	1	1	1	22	8	3	3	14	17	4	0	14	0	1	2	0	0	0	0	0	31	
Oklahoma	118	6	18	11	11	0	10	88	2	8	160	122	12	0	15	6	4	1	1	1	1	1	1	1	1	1	40		
Oregon	18	57	33	46	1	3	9	386	5	730	61	0	160	6	0	67	1	16	28	5	4	1	1	1	1	1	1	40	
Pennsylvania	19	1	1	1	1	31	26	0	82	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Rhode Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
South Carolina	5	2	0	19	0	1	0	2	19	0	32	30	0	7	37	1	4	0	16	2	0	0	0	0	0	0	0		
South Dakota	2	25	19	4	4	1	13	2	36	9	92	0	160	6	0	67	1	1	20	1	0	0	0	0	0	0	0		
Tennessee	71	0	4	4	1	13	2	36	9	5	92	0	160	6	0	67	1	1	20	1	0	0	0	0	0	0	0		
Texas	148	16	50	12	4	29	321	80	10	82	643	14	14	28	7	16	6	0	0	0	0	0	0	0	0	0	81		
Utah	7	28	7	168	0	1	0	1	0	0	43	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0		
Vermont	0	0	0	0	0	0	0	0	0	0	77	234	0	0	27	0	0	3	49	2	18	0	0	0	0	0	0		
Virginia	6	185	28	25	0	0	0	8	6	43	35	11	0	110	21	0	367	7	0	0	0	0	0	0	0	0			
Washington	3	1	0	0	0	0	0	0	0	0	31	25	0	0	9	21	0	0	6	3	0	0	0	0	0	0			
West Virginia	13	13	2	3	0	0	0	2	2	0	1	0	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0		
Wisconsin	10	57	34	5	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Wyoming	10	57	34	5	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		

\* For definitions of types of claims, see the *Bulletin*, March 1939, pp. 32-34.

† The liable State is one to which a claim has been forwarded by agent State for disposition.

July 1935. This volume represented an increase of 23 percent over December and of nearly 13 percent over January 1939. As a result of the marked increase in applications and the reduction in placements, the active file of persons registered as job seekers with the employment offices rose to 6 million, an increase of 5.5 percent over the number registered at the end of December 1939. Despite this increase, there were 1.4 million fewer persons registered as job seekers with the public employment offices than in January 1939.

Private placements of men numbered 91,000, a decrease of nearly 14 percent from December, while placements of women totaled 104,500, a decline of more than 19 percent from the preceding month. With employment declines accentuated somewhat by the loss of temporary jobs in holiday trade, approximately 1.2 million job applications were received from men and 436,000 from women. Reflecting the decline in the number of placements and the increase in the volume of applications, the active file of men and women increased 6 percent and 3 percent to 4.5 million and 1.5 million, respectively.

Placement activities for veterans also showed trends similar to those for all placement activities. Veterans were placed in 8,100 jobs with more than 5,600 of the placements in private employment. Applications rose 18 percent from December 1939, totaling almost 60,000 this month. At the end of the month the active file of veterans showed a 6-percent increase from the end of December, raising the number of registered veterans to 259,300.

#### ***Out-of-State Claims, October-December 1939***

Out-of-State initial claims received during the

fourth quarter of 1939 by all States, except the District of Columbia, numbered 84,609, as shown in table 9. All except a few of the State agencies participated in the 12-percent increase over the preceding quarter. Every State forwarded initial claims to California, Illinois, and Michigan; New York received such claims from all State agencies except South Dakota. Thirty States received liable claims from at least 40 States, and nearly every State received initial claims from more than half the States. As in the July-September quarter, Delaware, Hawaii, and Vermont received liable claims from the smallest number of jurisdictions. Illinois, with 6,431 initial claims received as a liable State, reported the largest volume of receipts for the second successive quarter, representing 8 percent of the total out-of-State initial claims. The next largest volumes of claims received as liable State were reported by California and New York, where receipts increased 21 and 30 percent, respectively, and amounted to more than 5,000 claims each.

The patterns displayed in previous quarters continued through this quarter. Records indicate that most initial claims forwarded to a liable State came from nearby jurisdictions. The bulk of out-of-State claims received by Alaska and Hawaii was forwarded from Washington and California, respectively. In this quarter, California as an agent State received twice as many claims as it did as a liable State and remained the largest single agent for out-of-State claims to a group of widely scattered States. Receipts of out-of-State initial claims by California, Illinois, Michigan, and New York accounted for 25 percent of all claims received as liable States, in contrast to 30 percent in the third quarter.

## **RAILROAD UNEMPLOYMENT INSURANCE \***

In the 5 weeks ended February 2, 1940, 181,585 unemployment claims were received from railroad workers (table 10). The increase in claims receipts which began in the middle of November and brought the claims load in December to the level of the early months of operation continued in January, reaching a peak in the week ended January 26. A slight reduction in the claims load

occurred in the last week of the month. The average number of claims received per week in January was more than 36,000, exceeding by about 28 percent the average weekly volume in December, the month of highest receipts in 1939. The claims series indicates that unemployment among eligible workers in the industry increased from an average of about 57,000 in the second half of November and the first half of December to an average of about 73,000 in the second half of December and the first half of January 1940.

\*Prepared by the Bureau of Research and Information Service, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

Table 10.—Railroad unemployment insurance: Applications for certificate of benefit rights and claims received, certificates of waiting-period credit issued, and benefit payments certified, June 1939—January 1940

Period	Applications received	Claims received	Certificates of waiting-period credit issued	Benefit payments certified		
				Number	Total amount	Average amount
Cumulative through Feb. 2, 1940	178,633	829,526	152,837	519,465	\$7,783,578	\$14.98
Cumulative through Dec. 29, 1939 <sup>1</sup>	159,734	647,941	130,257	385,450	5,767,508	14.96
Dec. 30, 1939—Feb. 2, 1940	18,899	181,585	22,580	134,015	2,016,070	15.04
Week ended:						
Jan. 5	4,904	33,556	4,109	21,738	328,775	15.12
Jan. 12	5,192	37,897	5,229	29,956	443,047	14.79
Jan. 19	4,055	36,270	4,259	27,029	405,591	15.01
Jan. 26	2,849	38,169	4,982	27,693	418,190	15.10
Feb. 2	1,899	35,663	3,911	27,599	420,467	15.23
Weekly averages:						
Period ended Sept. 1, 1939 <sup>1</sup>	8,965	26,151	8,158	12,838	191,372	14.91
Sept. 2—Sept. 29	2,457	27,961	3,735	21,737	317,349	14.60
Sept. 30—Oct. 27	2,223	21,223	2,061	15,658	333,302	14.90
Oct. 28—Dec. 1	4,253	20,412	2,750	14,175	217,466	15.34
Dec. 2—Dec. 29	1,284	28,447	4,964	18,783	284,493	15.15
Dec. 30, 1939—Feb. 2, 1940	3,780	36,317	4,516	26,803	403,214	15.04

<sup>1</sup> For weekly figures for period through Dec. 29, 1939, see the *Bulletin*, February 1940, p. 47, table 15, and the reference given in footnote 1 to that table.

<sup>2</sup> Number of weeks used to obtain weekly averages for period ended Sept. 1, 1939, is as follows: for applications, 11 (June 16—Sept. 1); for claims and certificates of waiting-period credit, 9 (July 1—Sept. 1); for benefit payments, 7 (July 16—Sept. 1).

<sup>3</sup> Revised.

This increase in unemployment, like the comparable increase from November to December, probably reflects in large part the seasonal lay-offs

of maintenance-of-way workers. According to the compilation of the Interstate Commerce Commission for class I railroads, 10,321 or about 50 percent of the reduction in employment from the middle of December to the middle of January occurred in the maintenance-of-way-and-structures group.

Until the middle of January the number of applications for certificates of benefit rights, received from eligible employees who became unemployed for the first time since the beginning of unemployment insurance operation, was at the relatively high level established in December. A noticeable drop in the receipt of such applications, however, occurred in the week ended January 19. The reduction continued in the following 2 weeks so that by the end of the month current receipts were even smaller than in the second half of September and in October 1939, when unemployment among eligible workers in the railroad industry was at its lowest point. This decline in the number of new registrants foreshadows a probable reduction in the claims load in February.

The total number of benefit certifications in January was greater than in any preceding month. In the 5-week period ended February 2 the number of such certifications was 134,015, or an average of 26,803 per week. The average for January is about 43 percent above the average for December, while the average of claims receipts in January was only 28 percent above the December figure. This difference is explained in part by

Table 11.—Railroad unemployment insurance: Average benefit payment, average daily benefit amount, and average number of compensable days of unemployment per benefit certification, for claims with continuous unemployment and claims with intermittent unemployment, July—December 1939<sup>1</sup>

Period	All certifications			Certifications with 15 days of unemployment <sup>2</sup>			Certifications with 8 to 14 days of unemployment <sup>2</sup>		
	Average benefit payment	Average daily benefit amount	Average number of compensable days	Percent of total certifications	Average benefit payment	Average daily benefit amount	Average benefit payment	Average daily benefit amount	Average number of compensable days
July 16—Sept. 1	\$14.91	\$2.31	6.45	57.7	\$18.49	\$2.31	\$9.97	\$2.31	4.32
Sept. 2—Sept. 29	14.60	2.31	6.30	55.9	18.51	2.31	9.50	2.30	4.13
Sept. 30—Oct. 27	14.90	2.29	6.48	58.5	18.31	2.29	9.92	2.29	4.34
Oct. 28—Dec. 1	15.34	2.26	6.72	63.2	18.15	2.27	10.10	2.25	4.51
Dec. 2—Dec. 29	15.15	2.23	6.82	65.5	17.76	2.22	10.35	2.26	4.58
Week ended:									
Dec. 8	15.56	2.25	6.92	67.1	17.91	2.24	10.66	2.26	4.72
Dec. 15	14.82	2.24	6.62	61.1	17.68	2.21	10.15	2.28	4.45
Dec. 22	15.16	2.23	6.92	67.1	17.68	2.21	10.69	2.28	4.72
Dec. 29	15.01	2.21	6.81	66.4	17.60	2.20	9.90	2.23	4.44

<sup>1</sup> All data except average benefit payment for all certifications are based on 20-percent sample of benefit certifications for each day in each regional office. For weekly figures for all certifications in September, October, and November, see earlier issues of this table. The last 5 columns appear for the first time in this issue.

<sup>2</sup> Claims applying to periods of 15 consecutive days are certified for benefits

for each day of unemployment in excess of 7; the benefit certifications on claims with 15 days of unemployment cover therefore 8 days, and other benefit certifications from 1 to 7 days. Daily benefit amounts, determined by base-year earnings, vary from \$1.75 to \$3.00.

<sup>3</sup> Revised.

the fact that in December a larger proportion of claims received was submitted by employees who had not previously served the waiting period required by law; therefore, the proportion of claims certified for benefit payments in December was smaller than in January.

**Table 12.—Railroad unemployment insurance: Number and amount of benefit payments certified, by State of residence of beneficiary, Dec. 2-29, 1939<sup>1</sup>**

State	Number	Amount
Total	75,130	\$1,137,973
Alabama	998	13,933
Arizona	248	3,449
Arkansas	1,064	17,129
California	3,738	62,302
Colorado	1,692	26,683
Connecticut	253	4,162
Delaware	51	633
District of Columbia	147	2,198
Florida	1,388	19,215
Georgia	1,064	15,309
Idaho	415	6,786
Illinois	7,061	106,028
Indiana	1,585	24,515
Iowa	2,725	40,380
Kansas	2,451	37,653
Kentucky	1,287	18,517
Louisiana	1,281	16,468
Maine	1,038	16,398
Maryland	218	3,430
Massachusetts	942	13,530
Michigan	1,646	25,301
Minnesota	4,057	62,439
Mississippi	942	14,651
Missouri	3,171	47,765
Montana	917	14,041
Nebraska	1,590	24,459
Nevada	203	3,162
New Hampshire	182	2,338
New Jersey	1,246	19,184
New Mexico	198	2,997
New York	6,610	100,048
North Carolina	705	11,897
North Dakota	1,261	19,667
Ohio	2,482	37,817
Oklahoma	1,560	25,118
Oregon	907	14,669
Pennsylvania	3,996	55,331
Rhode Island	66	1,032
South Carolina	375	5,642
South Dakota	562	8,822
Tennessee	1,342	18,901
Texas	3,981	59,048
Utah	755	12,591
Vermont	187	2,847
Virginia	810	11,872
Washington	1,555	23,947
West Virginia	784	12,556
Wisconsin	2,360	34,416
Wyoming	542	8,953
Outside continental United States	512	7,444

<sup>1</sup> Based on 20-percent sample of benefit certifications for each day in each regional office.

Of the 134,015 benefit certifications in the January weeks, 24,054 or nearly 18 percent were for initial payments in the benefit year and 4,253 for last payments to claimants who exhausted their rights in the current benefit year. The number of open benefit accounts for the current

benefit year was therefore increased by 19,801, from 101,023 as of December 29 to 120,824 by February 2, 1940.

Benefit certifications in the January weeks amounted to \$2.0 million or an average of \$15.04 per certification. This average is about 1 percent below the average per benefit certification in December which was in turn 1 percent below the November average. The reduction in average benefit payment in December was the effect of an increase in the proportion of beneficiaries with lower daily benefit amounts and with continuous unemployment in the half month to which the certification applies. As shown in table 2, which has been recast in this issue to give separate figures for claims with continuous unemployment and for claims with intermittent unemployment, the relative increase in the low-wage beneficiaries who were continuously unemployed began in October and continued in November and December. This change in the composition of the beneficiary group is related to the normal seasonal lay-off of maintenance-of-way employees beginning in October and the reemployment of maintenance-of-equipment workers which was particularly marked in October. Since the benefit for a half month is a product of the daily benefit amount and the number of days of unemployment in excess of 7, an increase in the proportion of certifications with low daily benefit amounts reduces the average benefit per certification while an increase in the proportion of certifications for half months with 15 days of unemployment increases the average benefit per certification. The small decline in the average benefit in December was the net result of a decrease in the average daily benefit amount almost entirely offset by an increase in the average number of compensable days per certification. There is reason to believe that the reduction in average benefit in January is attributable to a different cause, namely, a slight decline in the proportion of claimants with continuous unemployment in the 15-day registration period.

In table 3 the number of benefit certifications and the amount of benefits for the 4-week period ended December 29 are shown by State of residence of beneficiary. The figures are calculated from a tabulation of the 20-percent sample of certifications.

# PUBLIC ASSISTANCE

BUREAU OF RESEARCH AND STATISTICS · DIVISION OF PUBLIC ASSISTANCE RESEARCH

## STATISTICS FOR THE UNITED STATES, JANUARY 1940

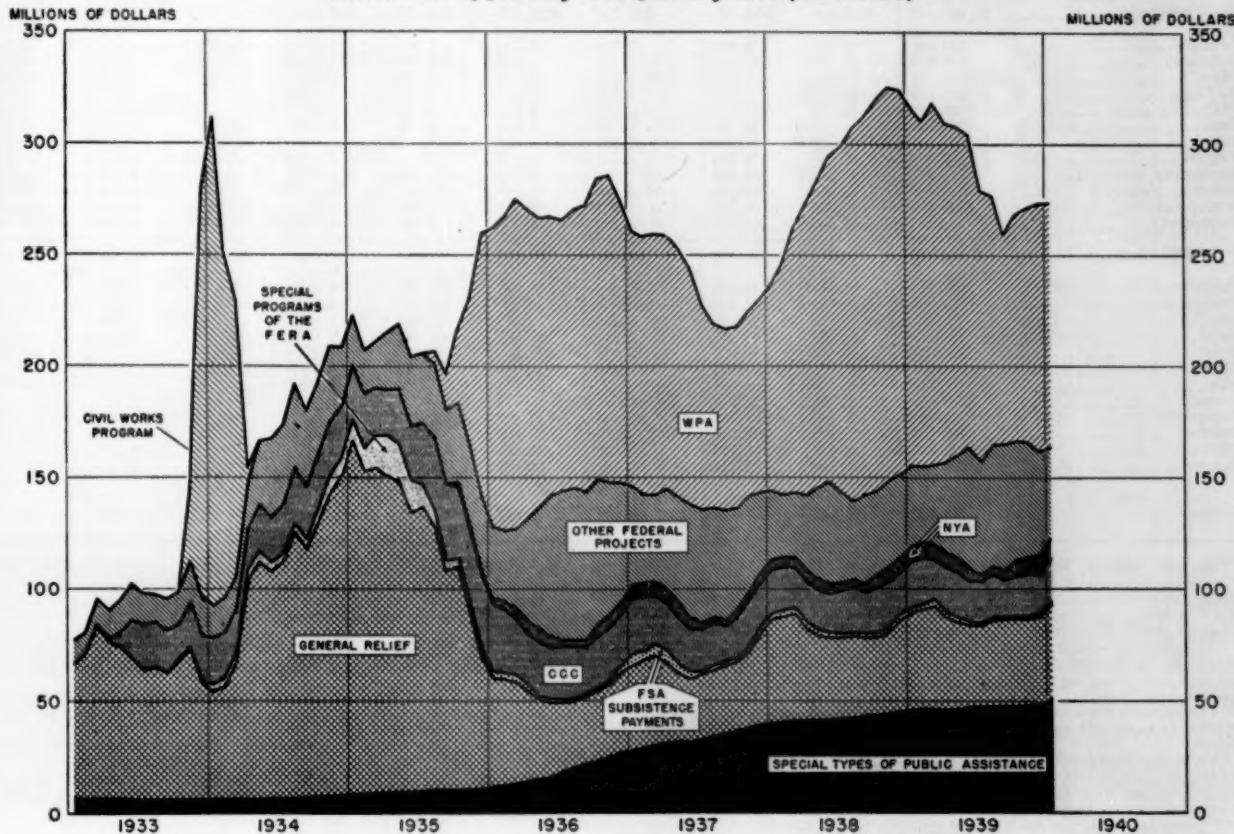
In January total expenditures in the continental United States for all public assistance and earnings under Federal work programs amounted to \$270.2 million—a decrease of about 1.2 percent from the December level. The data on expenditures exclude all costs of administering the programs and of materials, equipment, and supplies required for the operation of work projects. For January it is estimated that total payments for assistance and earnings benefited 6.4 million households, including 18.4 million persons. The estimated numbers of households and persons were 2.9 and 4.1 percent higher, respectively, than in the preceding month.

From December to January aggregate expenditures for general relief moved upward 9.5 percent

to \$42.4 million. Total obligations incurred for payments to recipients of old-age assistance, aid to dependent children, and aid to the blind amounted to \$50.6 million or 4.1 percent more than in December. The January increases in total payments for general relief and the special types of public assistance reflect to some extent a change in reporting, which is described in the detailed discussion of these programs. In each instance, however, this change accounts for a minor part of the increase. Subsistence payments certified by the Farm Security Administration rose 16.5 percent in January, but the total volume of such payments is extremely small in relation to total assistance and earnings.

January was the first month of a new enrollment

**Chart I.—Public assistance and earnings of persons employed under Federal work programs in the continental United States, January 1933-January 1940 (see table I)**



period in the Civilian Conservation Corps; both total earnings and the average number of enrollees increased 10.2 percent from December. With the exception of earnings under the out-of-school work program (formerly "work projects") of the National Youth Administration, which increased 7.1 percent, all other types of earnings declined from December to January. Earnings under the student work program (formerly "student aid") of the NYA amounted to 3.6 percent less than in December. Total earnings on projects operated by the Work Projects Administration moved downward for the first time since September.

Such earnings decreased 1.5 percent from December to \$106.0 million, while the average weekly number of persons employed on WPA-operated projects increased 4.7 percent to 2.1 million. Earnings and employment on WPA-financed projects operated by other Federal agencies were 9.5 and 4.3 percent lower, respectively, than in December. The total amount earned on other Federal work and construction projects declined 19.8 percent to \$37.4 million—the lowest level of such earnings since March 1939. The average weekly number of persons employed on these projects decreased 20.6 percent in January.

**Table 1.—Amount of public assistance and earnings of persons employed under Federal work programs in the continental United States, by months, January 1938–January 1940<sup>1</sup>**

[In thousands]

Year and month	Obligations incurred <sup>2</sup> for—			Earnings of persons employed under Federal work programs <sup>3</sup>						
	All public assistance and earnings of persons employed under Federal work programs	Special types of public assistance <sup>4</sup>	General relief	Subsistence payments certified by the Farm Security Administration <sup>4</sup>	Civilian Conservation Corps <sup>5</sup>		National Youth Administration <sup>7</sup>		Work Projects Administration <sup>8</sup>	
					Civilian Conservation Corps	Student work program	Out-of-school work program	Projects operated by the WPA	Projects operated by other Federal agencies	
1938 total.....	\$3,487,183	\$508,981	\$476,202	\$22,587	\$230,318	\$19,598	\$41,560	\$1,722,277	\$28,559	\$437,101
January.....	237,244	40,103	46,404	2,204	19,940	1,996	2,552	93,060	.....	30,985
February.....	245,819	40,573	47,207	2,473	19,461	2,166	2,688	103,092	.....	28,159
March.....	263,215	41,284	47,471	2,577	18,336	2,233	2,739	119,693	.....	28,912
April.....	273,945	41,478	41,113	2,325	18,311	2,255	2,766	131,419	.....	34,278
May.....	283,620	41,740	37,337	2,156	18,014	2,406	3,075	137,916	.....	40,976
June.....	294,349	41,825	36,747	1,756	17,174	1,580	3,585	146,068	.....	43,644
July.....	288,991	42,423	35,999	1,291	19,548	0	3,701	151,416	4,293	40,020
August.....	307,208	42,815	36,244	1,117	20,334	6	3,903	163,378	4,621	34,790
September.....	312,263	43,264	35,406	1,231	18,767	211	3,930	164,910	4,749	39,795
October.....	320,296	43,762	34,934	1,492	20,367	1,980	4,028	171,162	4,939	37,632
November.....	325,584	44,368	36,476	1,703	20,514	2,408	4,193	172,257	4,971	38,694
December.....	324,651	45,347	40,865	2,262	19,252	2,417	4,400	167,906	4,986	37,216
1939 total.....	3,494,342	565,969	481,721	19,050	230,513	22,644	51,510	1,508,411	56,652	557,872
January.....	316,251	45,898	43,678	2,391	20,642	2,206	4,347	155,843	4,763	36,423
February.....	310,088	46,191	45,028	2,327	20,689	2,457	4,472	150,290	4,476	34,158
March.....	318,467	46,369	46,587	2,492	18,103	2,446	4,451	157,707	4,888	35,424
April.....	309,345	46,198	41,277	2,242	19,974	2,494	4,318	146,340	6,117	40,385
May.....	308,034	46,155	39,237	1,687	20,432	2,494	4,286	140,645	7,333	45,765
June.....	304,521	47,075	37,052	1,284	18,637	1,935	3,993	133,132	7,465	53,948
July.....	279,130	47,529	36,271	828	19,317	(18)	2,561	119,559	2,553	50,512
August.....	276,566	47,767	38,241	1,211	19,372	5	4,145	108,116	3,477	54,232
September.....	288,248	47,947	38,655	846	17,097	306	4,222	89,485	3,564	56,126
October.....	268,523	47,900	38,711	876	19,308	2,340	4,437	98,104	3,882	52,965
November.....	271,716	48,272	38,299	1,156	19,321	2,946	4,850	101,532	4,038	51,342
December.....	273,452	48,668	38,724	1,710	17,621	2,955	5,428	107,658	4,066	46,582
1940										
January.....	270,225	50,643	42,396	1,992	19,427	2,849	5,815	106,007	3,707	37,390

<sup>1</sup> See the *Bulletin*, February 1940, pp. 52–53, for information for 1933–37. Figures exclude cost of administration and of materials, equipment, and other items incident to operation of work programs. Figures are partly estimated and subject to revision.

<sup>2</sup> Beginning January 1940, include cost of hospitalization and burial.

<sup>3</sup> Payments to recipients from Federal, State, and local funds in States administering the 3 special types of public assistance under the Social Security Act and from State and local funds only in States not participating under the act.

<sup>4</sup> Figures from the FSA; represent net amount of emergency grant vouchers certified to cases and value of commodities distributed by the FSA during month.

<sup>5</sup> Figures include earnings of persons certified as in need of relief and earnings of all other persons employed on work and construction projects financed in whole or in part from Federal funds. Figures for the CCC include earnings of enrolled persons only.

<sup>6</sup> Figures estimated by the CCC by multiplying average monthly number

of persons enrolled by average of \$70 for each month through June 1939, \$67 for July–October, and \$66.25 for subsequent months. This average amount is based on amount of obligations incurred for cash allowances and for clothing, shelter, subsistence, and medical care of persons enrolled, and for certain other items.

<sup>7</sup> Figures for January 1938–June 1939 from the WPA, Division of Statistics, for subsequent months from the NYA; represent earnings during all pay-roll periods ended during month.

<sup>8</sup> Figures from the WPA, Division of Statistics; represent earnings of persons employed on projects financed from WPA funds and cover all pay-roll periods ended during month.

<sup>9</sup> Figures from the Bureau of Labor Statistics, Division of Construction and Public Employment; represent earnings on other work and construction projects financed in whole or in part from Federal funds and cover all pay-roll periods ended during monthly period ended on 15th of specified month.

<sup>10</sup> Less than \$500.

## General Relief

For January it is estimated that \$42.4 million was expended in the continental United States for the assistance of 1.7 million general relief cases. These aggregate figures, which include estimates for 8 States, are not strictly comparable in content with those published for previous months, because of a change in reporting procedure that became effective in January.

Monthly data for general relief and the special types of public assistance have hitherto excluded cases receiving assistance only in the form of

hospitalization and/or burial and total payments for hospitalization and burials from funds provided for these types of assistance. Beginning in January, such cases and payments are included in the data on recipients and obligations. Two major considerations have contributed to this change: (1) the desirability of attaining uniformity in the content of the data submitted by State agencies on different report forms of the Division of Public Assistance Research, and (2) the fact that, under the general relief programs in some States, payments for hospitalization and burials comprise a sizable proportion of total payments.

Table 2.—Recipients of public assistance and persons employed under Federal work programs in the continental United States, by months, January 1938-January 1940<sup>1</sup>

[In thousands]

Year and month	Estimated unduplicated total <sup>2</sup>		Recipients of special types of public assistance <sup>3</sup>			Cases receiving general relief <sup>4</sup>	Cases for which subsistence payments were certified by the Farm Security Administration <sup>5</sup>	Persons employed under Federal work programs <sup>6</sup>						
	Households	Persons in these households	Old-age assistance	Aid to dependent children				Civilian Conservation Corps <sup>7</sup>	National Youth Administration <sup>8</sup>		Work Projects Administration <sup>9</sup>			
				Families	Children				Student work program	Out-of-school work program	Projects operated by the WPA	Projects operated by other Federal agencies		
1938														
January	5,771	17,506	1,600	234	578	57	1,893	108	285	310	1,801	334		
February	6,089	18,638	1,623	241	595	59	1,996	119	278	320	2,001	316		
March	6,480	19,967	1,646	247	610	60	1,994	126	262	327	2,319	337		
April	6,578	20,357	1,662	252	622	60	1,815	117	262	334	2,538	391		
May	6,686	20,685	1,677	256	630	62	1,696	112	257	329	2,638	487		
June	6,684	20,774	1,657	258	638	62	1,648	93	245	219	2,741	541		
July	6,636	20,680	1,707	260	640	63	1,610	70	284	0	215	460		
August	6,772	21,191	1,716	265	651	64	1,581	62	290	2	219	338		
September	6,812	21,215	1,731	268	659	65	1,526	69	298	49	221	365		
October	7,074	21,757	1,746	271	664	65	1,407	70	291	322	220	3,192		
November	7,162	21,964	1,762	274	672	66	1,518	89	293	364	230	3,239		
December	7,156	21,891	1,776	280	684	67	1,631	115	275	372	240	3,066		
1939														
January	7,131	21,738	1,787	287	700	67	1,772	126	295	372	2,928	352		
February	7,171	21,761	1,799	296	717	67	1,844	123	296	382	2,905	342		
March	7,177	21,737	1,813	298	720	67	1,851	127	259	380	2,917	350		
April	6,987	20,986	1,830	296	714	68	1,724	114	285	384	2,676	392		
May	6,808	20,237	1,832	299	721	68	1,644	87	292	372	225	439		
June	6,605	19,487	1,842	311	748	68	1,568	69	266	280	214	458		
July	6,250	18,473	1,858	312	750	69	1,539	46	288	(1)	207	2,235		
August	6,033	17,641	1,872	313	751	69	1,583	72	289	1	211	496		
September	5,796	16,505	1,885	313	753	69	1,670	50	255	70	225	1,654		
October	5,996	16,982	1,894	314	752	69	1,633	50	288	354	238	1,802		
November	6,068	17,287	1,904	314	753	70	1,565	65	292	421	261	1,877		
December	6,189	17,661	1,909	315	760	70	1,563	97	266	433	295	2,040		
1940														
January	6,368	18,390	1,923	325	783	70	1,680	107	293	436	322	2,136		

<sup>1</sup> See the *Bulletin*, February 1940, pp. 54-55, for information for 1933-37. Figures exclude administrative employees. Figures are partly estimated and subject to revision.

<sup>2</sup> Estimated by the Work Projects Administration and the Social Security Board.

<sup>3</sup> Includes recipients of the 3 special types of public assistance in States administering these programs under the Social Security Act and recipients of similar types of assistance in States not participating under the act. Beginning January 1940, includes recipients of hospitalization and/or burial only.

<sup>4</sup> Beginning January 1940, includes cases receiving hospitalization and/or burial only.

<sup>5</sup> Figures from the FSA; represent net number of emergency grant vouchers certified to cases and number of cases receiving commodities distributed by the FSA during month. Ordinarily only 1 grant voucher per case is certified per month.

<sup>6</sup> Figures include persons certified as in need of relief and all other persons

employed on work and construction projects financed in whole or in part from Federal funds. Figures for the CCC include enrolled persons only.

<sup>7</sup> Figures are averages computed by the CCC from reports on number of persons enrolled on 10th, 20th, and last day of each month except for the Indian Division, for which averages are computed from daily reports.

<sup>8</sup> Figures for January 1938-June 1939 from the WPA, Division of Statistics, for subsequent months from the NYA; represent number of different persons employed during month.

<sup>9</sup> Figures from the WPA, Division of Statistics; represent average weekly number of persons employed during month on projects financed from WPA funds.

<sup>10</sup> Figures from the Bureau of Labor Statistics, Division of Construction and Public Employment; represent average weekly number of persons employed on other work and construction projects financed in whole or in part from Federal funds during monthly period ended on 15th of specified month.

<sup>11</sup> Less than 500 persons.

Although payments for hospitalization and burials account for a substantial share of total expenditures from general relief funds in some States, the national data are not greatly affected by the addition of such payments. Of the \$40.1 million spent for general relief in the 41 States reporting

adequate data for January, slightly less than \$800,000 represented payments for hospitalization and burials.

For the States in which payments for hospitalization and/or burials were made in January, comparisons with December 1939 and January

Table 3.—General relief in the continental United States, by States, January 1940<sup>1</sup>

[Data reported by State agencies, corrected to Feb. 25, 1940]

State	Number of cases receiving relief	Amount of obligations incurred for relief <sup>2</sup>	Average amount per case	Percentage change <sup>3</sup> from—			
				December 1939 in—		January 1939 in—	
				Number of cases	Amount of obligations	Number of cases	Amount of obligations
Total for continental United States <sup>4</sup> .....	1,680,000	\$42,396,000					
Total for 41 States reporting adequate data.....	1,554,696	40,078,792	\$25.73				
Alabama.....	2,338	22,362	9.56	+2.4	+6.4	-14.5	-12.8
Arizona.....	2,866	41,258	14.30	+3.5	+6.3	-22.7	-21.7
Arkansas.....	3,768	18,328	4.86	-8	-8	-2.8	-1.9
California.....	8,160,534	\$5,033,304	31.35	+7.7	+9.3	+29.0	+30.6
Colorado.....	15,598	243,140	15.59	+6.1	+8.2	-14.6	-21.6
Connecticut.....	20,145	545,705	27.24	+7.6	+6.4	-17.3	-15.0
Delaware.....	1,832	37,764	20.61	+11.4	+10.8	-26.2	-26.6
District of Columbia.....	1,987	52,151	26.25	+12.8	+11.9	+23.5	+21.9
Florida.....	8,717	60,243	6.91	-14.0	-8.7	+11.0	+13.9
Georgia.....	7,493	37,419	4.99	+14.4	+13.8	+2.3	-19.2
Idaho.....	2,232	32,064	14.37	+4.4	+2.2	(*)	(*)
Illinois.....	172,533	4,342,644	25.17	+5.9	+4.7	-9.6	-4.8
Indiana.....	56,753	865,800	15.26	+15.7	+34.2	-11.1	-4.2
Iowa.....	37,099	737,250	19.87	(*)	(*)	(*)	(*)
Kansas.....	29,122	424,001	14.56	+2.0	+3.2	+27.5	+14.7
Louisiana.....	9,871	161,541	16.37	+11.1	+11.7	+19.1	+47.5
Maine.....	12,038	327,569	27.21	(*)	+3.0	(*)	-3.9
Maryland.....	9,728	218,044	22.41	+6.3	+4.7	(*)	(*)
Massachusetts.....	73,730	2,175,464	29.51	+1.0	+4	(*)	+3
Michigan.....	68,307	1,597,381	23.39	(*)	+14.7	-11.8	-7.6
Minnesota.....	42,155	1,147,497	27.22	+9	+9.8	-12.3	-10.0
Mississippi.....	1,801	9,065	6.06	(*)	(*)	(*)	(*)
Missouri.....	35,955	461,076	12.82	+43.5	+40.6	-3.1	+9.8
Montana.....	5,744	100,881	17.56	(*)	+15.0	(*)	-33.0
Nebraska.....	12,472	164,565	13.20	+19.9	+11.4	+5.3	+3.3
Nevada.....	911	19,080	20.94	(*)	(*)	+15.9	+35.4
New Mexico.....	2,100	15,590	7.42	(*)	(*)	(*)	(*)
New York.....	276,367	10,265,366	37.14	+3.9	+5.9	-8.6	-10.2
North Carolina.....	7,855	47,022	5.99	+22.5	+18.9	+30.0	+35.0
North Dakota.....	5,390	98,888	18.74	+1.2	+11.1	-23.3	-24.1
Ohio.....	113,281	7,003,719	17.70	+20.3	+32.0	+17.1	+10.9
Oregon.....	12,039	193,569	16.08	+5.7	+4.3	-14.3	-8.9
Pennsylvania.....	226,657	6,369,401	28.10	(*)	-1.3	(*)	-13.0
South Carolina.....	2,010	18,238	9.07	-8.0	-6.7	-27.9	-32.9
Utah.....	6,306	141,839	22.48	+8.6	+12.6	+50.8	+75.5
Vermont.....	3,291	78,301	23.79	+18.6	+26.4	-6.7	-14.6
Virginia.....	8,895	92,191	10.36	+4.0	+5.3	-11.1	-9.9
Washington.....	24,349	\$40,936	14.37	+2.7	+9.9	(*)	-21.6
West Virginia.....	16,552	170,788	10.32	+35.4	+23.3	-26.0	-30.9
Wisconsin.....	52,396	1,320,474	25.20	(*)	+7.9	(*)	+7.8
Wyoming.....	1,866	33,814	18.12	+17.8	+24.5	-34.2	-42.2
Total for 8 States for which figures are estimated <sup>4</sup> .....	125,500	2,317,000					
Kentucky.....	7,400	50,000					
New Hampshire.....	8,100	207,000					
New Jersey.....	57,500	1,440,000					
Oklahoma.....	13,100	65,000					
Rhode Island.....	11,500	317,000					
South Dakota.....	5,600	86,000					
Tennessee.....	6,600	34,000					
Texas.....	15,400	109,000					

<sup>1</sup> These data differ from those previously published, because they include cases receiving hospitalization and/or burial only and total obligations incurred for these services, in addition to cases receiving money payments, assistance in kind, and medical care, and obligations incurred for such assistance.

<sup>2</sup> From State and local funds. Excludes cost of administration; of materials, equipment, and other items incident to operation of work-relief programs; and of special programs.

<sup>3</sup> Computed only where comparable data are available for December and January 1939.

<sup>4</sup> Partly estimated.

<sup>5</sup> Hospitalization and burial amounting to \$20,050 not included, because number of cases receiving these services only is not available.

<sup>6</sup> Not computed, because comparable data are not available.

<sup>7</sup> Medical care amounting to \$54,621 not included, because number of cases receiving this service only is not available.

<sup>8</sup> Medical care, hospitalization, and burial, amounting to \$40,061 not included, because number of cases receiving these services only is not available.

<sup>9</sup> Estimated by the Social Security Board for all States except New Hampshire, South Dakota, Tennessee, and Texas, for which estimates were made by State agencies.

1939 are shown in table 3 only in those instances in which it was possible to revise the data for the earlier months to include cases receiving hospitalization and/or burial only and total payments for these purposes.

From December to January there was a general upward movement in expenditures for general relief. Of the 37 States for which it is possible to compare total obligations in January with the total for December, there were 33 which reported increased expenditures in the latter month. In Indiana, Missouri, Ohio, Vermont, West Virginia, and Wyoming the increases ranged from 23.3 to 40.6 percent.

### Special Types of Public Assistance

In January there were a number of significant developments affecting State programs for old-age assistance, aid to dependent children, and aid to the blind. With the beginning of the new year, the provisions for making Federal grants to States with approved plans were liberalized for each program, in accordance with the amendments to the Social Security Act enacted last August. Effective January 1, the ratio of Federal participation in payments for aid to dependent children was increased from one-third to one-half. No change was made in the maximum amount of aid to dependent children toward which the Federal Government contributes; this maximum continues to be \$18 a month for the first child and \$12 a month for each additional child aided in the same home. Also effective January 1, the maximum monthly payment for old-age assistance or aid to the blind toward which the Federal Government contributes one-half was increased from \$30 to \$40.

As originally enacted, the Social Security Act permitted the approval of State plans for old-age assistance which imposed a minimum age requirement of not more than 70 years until January 1, 1940, and of 65 years thereafter. In January reductions in the age limit from 70 to 65 years became effective in Missouri, New Hampshire, and Pennsylvania, the only remaining States in which a 70-year minimum was still in effect at the end of 1939.

During January a State plan for aid to the blind submitted by Rhode Island was approved by the Social Security Board, thereby increasing to 43 the number of jurisdictions with approved plans for this type of assistance. Assistance to the

needy aged is administered under approved plans in all 51 jurisdictions eligible for Federal grants, and aid to dependent children is administered under the Social Security Act in 42 jurisdictions.

January data for the special types of public assistance are affected only to a slight extent by the change in reporting which has been discussed in connection with the general relief program. The inclusion of data on hospitalization and burials does not affect the figures for most of the State programs for old-age assistance, aid to dependent children, and aid to the blind, because in most instances funds for the special types of public assistance are not used to pay for these services. In January, for example, only 21 of the 51 jurisdictions with approved plans for old-age assistance reported payments for hospitalization and/or burial of recipients. Obligations were incurred for these purposes in only 6 of the 42 jurisdictions with approved plans for aid to dependent children and in only 10 of the 43 jurisdictions with approved plans for aid to the blind. Moreover, in practically all instances in which funds for the special types of public assistance are expended for hospitalization and/or burial, payments for these services to recipients comprise an extremely small share of total assistance payments.

For those States that made payments for hospitalization and/or burials in January 1940, the percentage changes in recipients and obligations from December 1939 and January 1939 are based on figures for the earlier months that have been revised to include recipients of hospitalization and/or burial only and expenditures for these purposes.

In January total obligations incurred for payments to recipients of the three special types of public assistance in the 48 States, the District of Columbia, Alaska, and Hawaii amounted to \$50.7 million. Included in this aggregate sum are payments made under State plans approved by the Social Security Board and payments made under State laws without financial participation by the Federal Government. The data on payments exclude all costs of administering the programs.

All but about 2 percent of total payments for the special types of public assistance in January was expended in States participating under the Social Security Act. Of the \$49.7 million paid to recipients in States administering these types

of assistance under approved plans, \$38.6 million was paid to 1.9 million recipients of old-age assistance, \$10.1 million was received by 312,000 families for the assistance of 754,000 dependent children, and \$1.1 million was paid to 46,100 blind persons.

Assistance payments totaling somewhat more than \$1 million were paid to recipients of aid to the blind and to families with dependent children in States in which programs for these groups are operated without Federal financial participation. Payments to 24,100 blind persons in Illinois, Missouri, Nevada, and Pennsylvania amounted to \$680,000. The balance—\$341,000—was received by 14,200 families in behalf of 32,700 dependent children in Connecticut, Illinois, Iowa, Kentucky, Mississippi, Nevada, South Dakota, and Texas.

Total obligations incurred for the special types of public assistance in all jurisdictions rose 4.1 percent from December to January. As compared with the aggregate expenditure in January

1939, total payments in January of this year were greater by \$4.8 million or 10.3 percent. Payments for aid to dependent children showed the greatest expansion with a gain of 12.5 percent. Obligations incurred for old-age assistance totaled 10.0 percent more in January of this year than in the same month of 1939, and the amount expended for aid to the blind was 5.7 percent larger.

#### Old-Age Assistance

From December to January the total number of recipients of old-age assistance in the 51 jurisdictions with approved plans increased less than 1 percent, but the total amount of obligations incurred for payments to these recipients rose 3.5 percent. Most of the States reported small percentage changes in both the number aided and the volume of assistance.

In Pennsylvania the number of recipients increased 14.2 percent, and the total amount of obligations incurred rose 15.2 percent from De-

**Table 4.—Special types of public assistance in States with plans approved by the Social Security Board, by month: January 1938-January 1940<sup>1</sup>**

[Data reported by State agencies, corrected to Feb. 15, 1940]

Year and month	Number of recipients			Amount of obligations incurred for payments to recipients <sup>2</sup>			
	Old-age assistance	Aid to dependent children <sup>3</sup>		Total	Old-age assistance	Aid to dependent children <sup>3</sup>	Aid to the blind
		Families	Children				
1938 total				\$494,794,092	\$390,402,044	\$93,427,924	\$10,964,124
January	1,602,025	218,009	541,224	33,595	39,050,567	31,227,485	7,014,662
February	1,625,539	224,737	557,613	35,149	39,510,592	31,443,867	7,222,237
March	1,648,306	231,001	572,582	36,363	40,217,107	31,821,575	7,524,472
April	1,664,541	236,241	585,190	37,218	40,522,123	32,115,413	7,530,714
May	1,680,052	240,079	594,024	38,131	40,787,565	32,364,745	7,540,168
June	1,639,295	243,422	603,335	38,783	40,872,494	32,323,431	7,644,607
July	1,709,812	244,712	606,164	39,596	41,475,321	32,875,578	9,28,283
August	1,719,124	251,743	620,181	40,195	41,885,425	32,965,264	7,978,814
September	1,733,999	254,839	625,735	41,002	42,336,124	33,309,172	8,071,316
October	1,688,457	257,415	633,703	41,449	40,286,686	31,131,171	8,188,402
November	1,764,509	261,115	641,081	42,256	43,437,354	34,031,996	8,422,218
December	1,779,292	266,222	654,260	42,938	44,412,734	34,792,347	8,618,854
1939 total				554,873,292	431,226,821	111,214,075	12,432,396
January	1,790,055	273,688	670,046	43,355	44,968,632	35,058,634	8,900,364
February	1,802,296	282,108	686,532	43,740	45,259,812	35,173,297	9,067,631
March	1,815,913	284,262	689,946	43,968	45,439,154	35,242,039	9,173,347
April	1,832,516	282,009	683,888	44,240	45,277,750	35,352,534	8,899,963
May	1,835,000	285,692	691,663	44,160	45,238,427	35,248,765	8,998,947
June	1,844,976	297,344	717,900	44,579	46,160,636	35,850,981	9,278,766
July	1,861,094	298,968	720,971	44,910	46,612,048	36,247,753	9,328,858
August	1,874,721	299,326	721,374	45,277	46,834,196	36,439,564	9,353,503
September	1,888,015	300,107	723,057	45,329	47,023,490	36,572,556	9,406,794
October	1,897,092	300,458	722,929	45,458	46,973,245	36,388,605	9,533,063
November	1,906,644	300,465	723,928	45,630	47,347,270	36,692,390	9,595,209
December	1,911,961	302,125	730,793	45,876	47,738,623	36,959,613	9,707,540
1940							
January	1,925,957	311,690	753,705	46,087	49,713,399	38,555,194	10,077,381
							1,080,824

<sup>1</sup> See the *Bulletin*, July 1939, p. 52, for information for February 1936-December 1937. Figures include relatively small numbers of cases eligible under State laws for which no Federal funds may be expended and payments to individuals in excess of amounts which can be matched from Federal funds. Figures are excluded for States not administering Federal funds.

<sup>2</sup> Includes estimates for Hawaii for January-May 1938.

<sup>3</sup> From Federal, State, and local funds; excludes cost of administration, and, prior to January 1940, of hospitalization and burials.

ember. In January, the minimum age required as a condition of eligibility for old-age assistance in Pennsylvania was lowered from 70 to 65 years. Many of those added to the old-age assistance rolls in Pennsylvania in January were formerly assisted under the State's general relief program.

Georgia reported increases of 17.1 percent in the number receiving assistance and 16.2 percent in total payments. This expansion was made possible by the availability of additional State funds for the three special types of public assistance for the remainder of the present fiscal year.

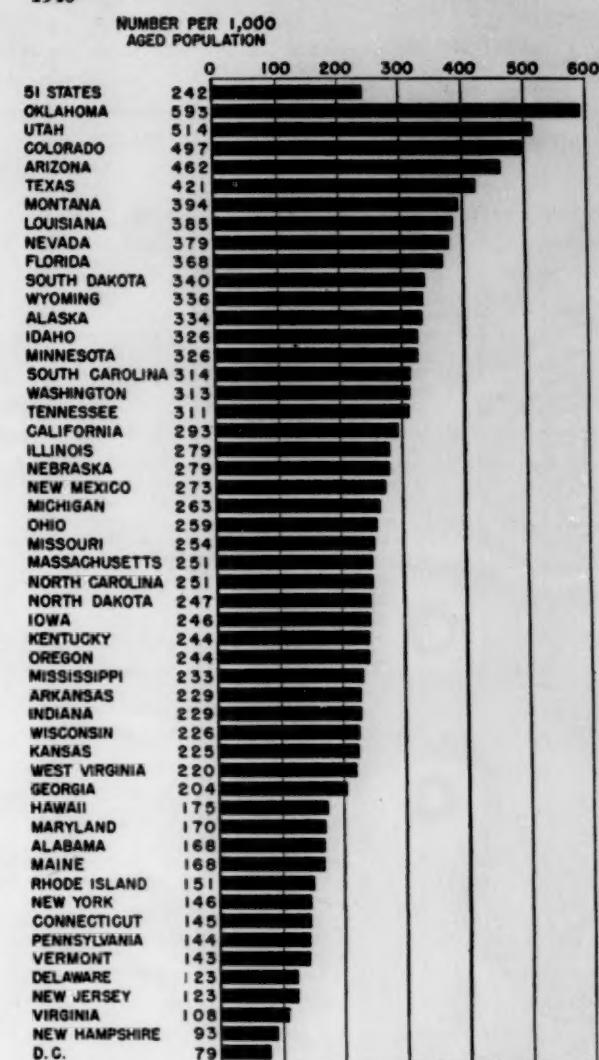
In Colorado and California the numbers on the rolls were practically unchanged, but in each of these States there was a large percentage increase in the total volume of payments. Total obligations in Colorado were 28.7 percent above the December level, and total payments in California were 15.9 percent higher. These upward changes are attributable in part to the increase in the maximum monthly payment toward which the Federal Government contributes, since a substantial proportion of the total number of recipients in each of these States are approved for monthly payments of more than \$30.

In Nebraska the total sum expended for old-age assistance was 20.4 percent larger in January, although there was practically no change in the number aided. During January the public-assistance agency in Nebraska received an additional appropriation for the balance of the current biennial period. In New Hampshire, where the age limit was reduced from 70 to 65 years in January, there were increases of 5.2 percent in the number of recipients and 3.8 percent in total obligations.

Missouri reported a decline of 12.1 percent in the total volume of assistance from December to January, although the number on the rolls in that State increased slightly. In January the minimum age required for eligibility for old-age assistance in Missouri was lowered from 70 to 65 years, and a horizontal reduction was applied to all payments to make it possible to care for the anticipated increase in case load within the limits of existing appropriations from State funds for the current biennium.

In South Carolina, where the sum appropriated from State funds for the special types of public assistance in the present fiscal year is smaller than that supplied by the State in the previous period,

Chart II.—*Recipients of old-age assistance per 1,000 population 65 years of age and over in States with plans approved by the Social Security Board, January 1940*



there were further declines in January. The number of recipients decreased 7.7 percent, and total payments dropped 7.4 percent. Since June 1939—the last month of the previous fiscal period—the number aided in South Carolina had declined 22.2 percent, and total obligations had decreased 23.9 percent.

All 51 jurisdictions made payments under plans approved by the Social Security Board in January 1939 and January 1940. In January 1940 the total number of recipients was 7.6 percent higher than a year earlier, and the total amount of obligations incurred was 9.1 percent greater. Total payments to recipients were at least 20.0 percent

higher in January 1940 in Alaska, California, Colorado, Indiana, Louisiana, Maine, New Mexico, Tennessee, and Virginia. In spite of the general

upward movement, substantially smaller sums were spent for assistance in a number of States. In Florida, Georgia, Hawaii, Montana, South

Table 5.—Old-age assistance in States with plans approved by the Social Security Board, by regions and States, January 1940

[Data reported by State agencies, corrected to Feb. 15, 1940]

Region <sup>1</sup> and State	Number of recipients	Amount of obligations incurred for payments to recipients <sup>2</sup>	Average amount per recipient	Percentage change from—				Number of recipients per 1,000 estimated population 65 years and over <sup>3</sup>	
				December 1939 in—		January 1939 in—			
				Number of recipients	Amount of obligations	Number of recipients	Amount of obligations		
Total.....	1,925,957	\$38,555,194	\$20.02	+0.7	+3.5	+7.6	+9.1	4242	
Region I:									
Connecticut.....	16,924	462,718	27.34	+.2	-.6	+10.3	+10.5	145	
Maine.....	14,410	296,609	20.59	+3.1	+2	+21.8	+20.1	168	
Massachusetts.....	82,763	2,376,797	28.72	+.8	+1	+9.2	+10.7	251	
New Hampshire.....	4,821	103,157	21.27	+5.2	+3.8	+19.4	+6.2	63	
Rhode Island.....	6,776	130,132	19.20	-.1	-.1	+8.5	+11.1	151	
Vermont.....	5,585	91,159	16.82	-.1	+2.9	-2.5	+7.5	143	
Region II:									
New York.....	115,316	2,982,852	25.87	+.4	+1.4	+4.2	+7.8	146	
Region III:									
Delaware.....	2,577	28,451	11.04	+.5	+1.1	-1.9	-.2	123	
New Jersey.....	30,646	633,812	20.68	(?)	+1.0	+12.0	+17.6	123	
Pennsylvania.....	89,475	1,976,390	22.09	+14.2	+15.2	+2.9	+6.1	144	
Region IV:									
District of Columbia.....	3,311	84,295	25.46	-.4	+1	+1.4	.2	79	
Maryland.....	18,448	323,697	17.55	+2.5	+3.2	+6.0	+5.3	170	
North Carolina.....	35,010	350,629	10.02	(?)	+2	+9.5	+16.2	251	
Virginia.....	16,362	157,943	9.65	+.8	+.9	+92.0	+93.9	108	
West Virginia.....	17,229	216,905	12.59	-.8	+1.2	-3.8	-12.4	220	
Region V:									
Kentucky.....	45,150	391,202	8.66	(?)	(?)	+1.5	+.9	244	
Michigan.....	76,670	1,296,020	16.90	-1.0	(?)	+8.1	+4.4	263	
Ohio.....	124,976	2,900,880	23.21	-.6	-.9	+14.0	+15.2	259	
Region VI:									
Illinois.....	139,664	2,842,707	20.35	+.6	+1.5	+11.2	+19.7	279	
Indiana.....	66,075	1,165,668	17.64	(?)	-1.5	+18.6	+25.6	220	
Wisconsin.....	49,829	1,098,655	22.05	+4	+9	+12.7	+17.0	226	
Region VII:									
Alabama.....	18,535	175,591	9.47	+.8	+1.4	+16.3	+16.9	168	
Florida.....	34,987	410,439	11.73	-3.3	-3.0	+3	-14.9	368	
Georgia.....	26,688	213,748	8.01	+17.1	+16.2	-25.6	-31.8	204	
Mississippi.....	19,940	150,838	7.56	+3	+1.1	+4.2	+12.8	233	
South Carolina.....	10,435	155,522	8.00	-7.7	-7.4	-17.8	-12.3	314	
Tennessee.....	40,605	409,851	10.07	-.1	(?)	+53.9	+40.0	311	
Region VIII:									
Iowa.....	53,839	1,105,630	20.54	+.3	+.8	+5.9	+7.2	246	
Minnesota.....	63,592	1,345,449	21.16	-3.9	-1.8	-2.9	-.2	326	
Nebraska.....	27,342	514,652	18.82	-.2	+20.4	+5	+8.4	279	
North Dakota.....	8,907	157,587	17.60	+4	-.1	+12.8	+14.4	247	
South Dakota.....	14,281	260,749	18.26	+5	+3.8	-12.2	-19.6	340	
Region IX:									
Arkansas.....	18,464	110,806	6.00	+.6	+.5	+9.3	+7.0	229	
Kansas.....	26,236	505,407	19.26	+8	+1.8	+16.0	+13.5	225	
Missouri.....	79,280	1,307,863	16.50	+7	-12.1	+6.5	-5.3	254	
Oklahoma.....	70,546	1,240,373	17.58	+3	+2	+8.3	-4.4	593	
Region X:									
Louisiana.....	31,243	451,846	14.46	+1.6	+2.2	+8.5	+51.8	385	
New Mexico.....	4,103	55,796	13.60	+1.6	+2.9	+7.3	+30.0	273	
Texas.....	119,900	1,068,107	8.91	-.6	+1.2	+5.7	-32.0	421	
Region XI:									
Arizona.....	7,848	211,677	26.97	+1.0	+8	+15.1	+17.3	462	
Colorado.....	10,241	1,475,872	36.68	+5	+28.7	+6.0	+20.5	407	
Idaho.....	8,713	187,308	21.50	+1.0	+1.1	-.1	+9.4	326	
Montana.....	12,209	220,107	18.03	+1	+3	-3.4	-15.1	394	
Utah.....	13,876	293,910	21.18	-.1	+1	+3.6	+7.0	514	
Wyoming.....	3,335	77,878	23.35	+6	+9	+9.0	+17.5	336	
Region XII:									
California.....	134,740	5,120,596	38.00	+6	+15.9	+7.1	+25.5	293	
Nevada.....	2,274	60,564	26.63	+8	+8	+6.7	+7.4	379	
Oregon.....	20,521	437,740	21.33	-1.2	-1.2	+8.8	+9.1	244	
Washington.....	39,098	861,880	22.04	(?)	(?)	+4.2	+3.3	313	
Territories:									
Alaska.....	1,335	37,282	27.93	+6	+7	+19.8	+21.6	334	
Hawaii.....	1,707	19,658	11.52	-.4	+1	-3.9	-11.8	175	

<sup>1</sup> Social Security Board administrative regions.

<sup>2</sup> From Federal, State, and local funds; excludes cost of administration.

<sup>3</sup> Population as of July 1, 1938, estimated with advice of the U. S. Bureau of the Census.

<sup>4</sup> Adjustments have been made for grants covering 2 or more eligible individuals for Alabama, Arkansas, Georgia, Idaho, Kansas, Louisiana, Maryland, Mississippi, New Hampshire, New Mexico, North Carolina, South Carolina, Tennessee, West Virginia, Wyoming, and Hawaii.

<sup>5</sup> Decrease of less than 0.1 percent.

<sup>6</sup> No change.

<sup>7</sup> Increase of less than 0.1 percent.

<sup>8</sup> Includes \$124,577 incurred for direct payments to 3,434 persons 60 but under 65 years of age and \$277 for burial payments to persons 60 but under 65. Rate per 1,000 excludes these recipients.

Carolina, South Dakota, Texas, and West Virginia the declines from January 1939 ranged from 11.8 to 32.0 percent.

#### Aid to Dependent Children

The total numbers of families and children receiving aid to dependent children in the 42 jurisdictions with approved plans increased 3.2 and 3.1 percent, respectively, from December to January, and the total amount of payments to these recipients rose 3.7 percent. For the most part, the States reported small percentage changes in these items. In several States, however, there were marked expansions in total obligations or in both the numbers aided and the volume of assistance.

In Tennessee the numbers of families and children were 37.9 and 34.2 percent larger, respectively, than in December, and total obligations amounted to 37.6 percent more. These increases reflect the addition to the assistance rolls of families that had previously been approved for aid and had been retained on a waiting list pending the availability of additional funds.

Marked increases in families, children, and payments were recorded for Michigan, where a large number of families formerly in receipt of mothers' pensions supplied by the counties were transferred to the State program for aid to dependent children. The number of families assisted increased 25.3 percent, the number of children 22.5 percent, and total expenditures 24.9 percent.

The program for aid to dependent children in Virginia continued to expand at a substantial rate in January, with the increases from December levels amounting to about 16 percent for each item. In Georgia the numbers of families and children increased 9.1 and 6.8 percent, respectively, and total payments to recipients rose 8.0 percent.

In Missouri and Nebraska the total volume of assistance was about 22 percent greater than in December, although in each of these States the numbers of families and children aided were only about 1 percent higher. The increased expenditure in Missouri was attributable principally to the higher ratio of Federal participation which became applicable to the program for aid to dependent children in January. This factor probably contributed to the expansion in total obligations in Nebraska as well, although in that State further impetus to a rise in payments was sup-

Chart III.—Number of children receiving aid to dependent children per 1,000 population under 16 years of age in States with plans approved by the Social Security Board, January 1940



plied by an additional appropriation from State funds.

The total sum expended for assistance in Alabama was 12.6 percent greater in January, whereas the numbers of families and children were only about 2 percent higher. In addition, there were increases of 4 to 6 percent in one or more items from December to January in Colorado, Hawaii, Louisiana, North Carolina, and Utah.

The retrenchment that has been evident in the program for aid to dependent children in South Carolina since June of last year was continued in January with marked declines of 18.4 percent in the number of families, 17.5 percent in the number of children, and 16.7 percent in total payments. As in the program for old-age assistance, these declines reflect the influence of a reduction in the amount of State funds appropriated for the

special types of public assistance during the present fiscal year. From June to January the numbers of families and children aided in South Carolina had decreased 34.1 and 32.6 percent,

respectively, and total obligations had declined 34.3 percent.

Each of the 42 jurisdictions making payments under approved plans in January 1940 also made

Table 6.—*Aid to dependent children in States with plans approved by the Social Security Board, by regions and States, January 1940*

[Data reported by State agencies, corrected to Feb. 15, 1940]

Region <sup>1</sup> and State	Number of recipients		Average amount per family	Percentage change from—						Number of recipients per 1,000 estimated population under 16 years <sup>2</sup>		
				December 1939 in—			January 1939 in—					
	Families	Children		Families	Children	Amount of obligations	Number of recipients	Families	Children			
Total	311,690	753,705	\$10,077,381	\$32.33	+3.2	+3.1	+3.7	+13.9	+12.5	+13.2	23	
Region I:												
Maine	1,440	3,642	54,828	38.08	+1.0	+.8	+1.3	+8.7	+5.6	+10.1	15	
Massachusetts	11,292	28,787	682,354	60.43	+1.0	+.8	-1.0	+16.9	+22.9	+9.9	26	
New Hampshire	612	1,603	26,108	42.66	+3.0	+3.2	+.7	+79.5	+76.7	+95.9	12	
Rhode Island	1,170	3,172	54,035	46.18	+.3	+.3	-1	+11.1	+10.9	+8.7	18	
Vermont	488	1,420	15,319	31.39	+1.0	+1.6	+3.0	+20.8	+19.6	+41.3	14	
Region II:												
New York	36,435	72,025	1,784,176	48.97	+.2	+.2	+.2	+3.5	+2.6	+3.8	23	
Region III:												
Delaware	502	1,294	15,835	31.54	+.4	+2.3	+.5	+7.0	+18.5	+10.0	19	
New Jersey	10,803	23,723	325,536	30.13	+.4	+.3	+.7	-4.4	-5.6	-3.0	21	
Pennsylvania	30,997	70,918	1,107,322	35.72	+2.5	+2.3	+3.2	+50.5	+42.1	+51.7	24	
Region IV:												
District of Columbia	909	2,692	33,969	37.37	-1	-.4	-1.3	-11.9	-14.7	-29.5	21	
Maryland	7,331	19,813	232,757	31.75	+.9	+1.1	+.5	-6.1	-6.0	-5.9	44	
North Carolina	8,380	21,459	131,532	15.70	+3.1	+2.9	+5.9	+8.0	+1.9	+10.7	17	
Virginia	2,090	6,762	43,125	20.63	+16.5	+16.3	+15.6	+149.7	+127.8	+139.0	8	
West Virginia	7,200	20,562	148,579	20.38	(?)	-.2	+2.5	+20.3	+17.0	+14.5	32	
Region V:												
Michigan	16,618	41,817	619,287	37.27	+25.3	+22.5	+24.9	+31.9	+43.9	+21.6	32	
Ohio	10,002	28,060	375,853	37.58	-.7	-1.0	-3.4	-8.3	-10.0	-13.8	16	
Region VI:												
Indiana	17,111	35,210	475,116	27.77	+.2	+.4	+.3	+10.6	+8.6	+12.0	38	
Wisconsin	12,053	27,616	465,125	38.59	+.9	+.8	+1.0	+10.7	+8.3	+12.5	31	
Region VII:												
Alabama	5,543	16,344	78,969	14.25	+1.8	+2.3	+12.6	+.3	-.3	+13.9	16	
Florida	4,034	10,488	83,700	20.77	(?)	-.5	(?)	+71.7	+67.5	+103.6	22	
Georgia	3,885	10,140	78,407	20.18	+9.1	+6.8	+8.0	-15.7	-17.7	-19.0	10	
South Carolina	3,145	9,395	50,847	16.17	-18.4	-17.5	-16.7	-24.7	-23.3	-15.6	14	
Tennessee	13,324	34,451	245,178	18.40	+37.9	+34.2	+37.6	+34.5	+29.5	+34.3	37	
Region VIII:												
Minnesota	8,357	20,169	293,195	35.08	+1.5	+1.4	+1.4	+21.0	+15.7	+18.2	28	
Nebraska	5,245	11,837	165,797	31.61	+.7	+.8	+21.7	+11.8	+10.8	+35.1	31	
North Dakota	2,267	6,329	71,622	31.59	+4.4	+6	+5	+20.1	+17.8	+15.9	27	
Region IX:												
Arkansas	4,051	11,025	32,904	8.12	+1.0	+1.3	+1.2	+1.6	+1.1	+1.3	16	
Kansas	6,138	13,880	175,212	28.55	+.4	+.6	+1.1	+27.2	+20.8	+19.0	27	
Missouri	9,902	23,318	231,635	23.59	+.8	+1.4	+22.1	+17.8	+14.2	-8.8	23	
Oklahoma	17,482	40,261	213,896	12.24	+4.4	+4	+6	+16.0	+15.5	+7	49	
Region X:												
Louisiana	12,048	34,337	317,065	26.32	+2.3	+2.7	+4.0	+19.5	+17.4	+49.7	50	
New Mexico	1,761	5,136	44,280	25.14	-1.3	-1.4	-1.6	+16.5	+17.9	+55.2	35	
Region XI:												
Arizona	2,482	6,877	79,912	32.20	+.2	+.5	+.2	+15.7	+9.8	+13.5	54	
Colorado	5,248	12,938	157,403	29.90	+4.3	+5.3	+4.9	+23.6	+20.3	+20.6	44	
Idaho	2,729	6,612	75,512	27.67	+1.1	+1.4	+1.6	+4.1	+6.6	+4.3	43	
Montana	2,261	5,445	63,489	28.08	+2.4	+3.2	+3.0	+5.9	+8.7	+4.3	36	
Utah	3,300	7,949	113,236	34.31	-4	-2	+4.9	+11.3	+8.1	+13.9	45	
Wyoming	714	1,761	22,510	31.53	-4	-7	-5	+17.4	+15.2	+19.6	26	
Region XII:												
California	14,513	35,533	637,644	43.94	+1.2	+1.1	+2.4	+12.3	+11.1	+19.7	26	
Oregon	1,918	4,469	76,560	39.92	+.9	+1.5	+.8	+19.7	+26.0	+22.5	17	
Washington	4,811	10,960	143,654	29.86	+3	+6	+5	-17.2	-16.3	-15.4	28	
Territory:												
Hawaii	1,009	3,467	33,778	33.48	+3.1	+2.2	+4.0	+7.1	+3.2	+4.6	25	

<sup>1</sup> Social Security Board administrative regions.

<sup>2</sup> From Federal, State, and local funds; excludes cost of administration.

<sup>3</sup> Population as of July 1, 1938, estimated with advice of the U. S. Bureau of the Census.

<sup>4</sup> Includes an unknown number of children 16 years of age and over.

<sup>5</sup> Increase of less than 0.1 percent.

<sup>6</sup> Includes approximately 2,817 children 16 years of age and over. Rate per 1,000 excludes these children.

<sup>7</sup> Includes aid to dependent children administered under State law without Federal participation.

<sup>8</sup> Decrease of less than 0.1 percent.

<sup>9</sup> In addition, in 69 counties payments amounting to \$17,069 were made from local funds without Federal participation to 947 families in behalf of 2,196 children under the State mothers'-pension law. Some families receiving aid from this source for January also received aid under State plan for aid to dependent children approved by the Social Security Board.

<sup>10</sup> Includes 365 children 16 years of age and over. Rate per 1,000 excludes these children.

payments under the Social Security Act in January 1939. The total numbers of families and children assisted in January 1940 were 13.9 and 12.5 percent greater, respectively, than in the same month a year ago, and the total amount spent for assistance was 13.2 percent larger. In Florida, Louisiana, Nebraska, New Hampshire, New Mexico, Pennsylvania, Tennessee, Vermont, and Virginia the percentage increase in total obligations was at least twice as large as in all States combined. Compared with the amounts expended in January of last year, a few States spent substantially smaller sums in January 1940. In the District of Columbia, Georgia, Ohio, South Carolina, and Washington the declines ranged from 13.8 to 29.5 percent.

#### *Aid to the Blind*

In January the total number of recipients of aid to the blind in the 43 jurisdictions with plans approved by the Social Security Board and the total amount of obligations incurred for payments to these recipients were each 0.5 percent higher than in December. Although the Rhode Island plan for aid to the blind was not approved until January, Federal funds were made available retroactively to July 1, 1939. Data for Rhode Island are therefore included in the totals for both December and January.

In practically all the States there were small percentage changes in both recipients and payments from December to January. The largest percentage increases in January were recorded for Georgia, where the number assisted increased 8.9 percent and the total volume of payments rose 8.7 percent. In Georgia additional State funds were made available for the special types of public assistance during the last half of the current fiscal year. In Arizona, North Dakota, and Utah total expenditures for payments to recipients were 4 or 5 percent higher than in December. The number on the rolls increased less than 1 percent in Arizona and North Dakota and declined 1.4 percent in Utah.

The influence of the reduced appropriation from State funds in South Carolina also continued to be reflected in the program for aid to the blind. In January the number receiving assistance declined 5.9 percent, and total obligations decreased 6.8 percent. The number of recipients in

**Chart IV.—Recipients of aid to the blind per 100,000 total population in States with plans approved by the Social Security Board, January 1940**



January was 18.9 percent lower than in June 1939—the last month of the preceding appropriation period—and the total volume of payments was 23.5 percent lower.

In the 42 jurisdictions making payments under approved plans in January 1939 and January 1940, the total number of recipients was 6.2 percent larger in January of this year, and the total expended for assistance was 6.7 percent larger. Total obligations had increased more than 30.0 percent from the January 1939 level in Connecticut, Louisiana, Mississippi, Montana, North Dakota, Vermont, and Virginia. On the other hand, in a few States total payments had declined substantially. In Florida, Georgia, South Dakota, and Tennessee the sums expended were from 15.1 to 19.3 percent smaller than a year ago.

Table 7.—*Aid to the blind in States with plans approved by the Social Security Board, by regions and States, January 1940*

[Data reported by State agencies, corrected to Feb. 15, 1940]

Region <sup>1</sup> and State	Number of recipients	Amount of obligations incurred for payments to recipients <sup>2</sup>	Average amount per recipient	Percentage change from—				Number of recipients per 100,000 estimated population <sup>3</sup>	
				December 1939 to—		January 1939 to—			
				Number of recipients	Amount of obligations	Number of recipients	Amount of obligations		
Total	46,087	\$1,080,824	\$23.45	+0.5	+0.5	+6.2	+6.7	47	
Region I:									
Connecticut	259	6,325	24.42	+3.2	-1.5	+16.7	+30.2		
Maine	1,252	29,487	23.55	+4	+2	-5	-4	15	
Massachusetts	1,162	26,503	22.81	-4	+1	+4.5	+9.3	146	
New Hampshire	328	7,655	23.34	+6	+2.9	+3.8	+0.4	26	
Rhode Island	55	876	15.93	(*)	(*)	(*)	(*)	64	
Vermont	154	3,311	21.50	-1.3	+1.4	+10.0	+32.0	8	
Region II:									
New York	2,752	70,932	25.77	+7	+6	+4.2	+8.8	21	
Region III:									
New Jersey	657	15,112	23.00	+1.2	+1.6	+8.1	+9.9	15	
Region IV:									
District of Columbia	210	5,415	25.79	-5	-2	-5.8	-9.3		
Maryland	670	14,037	20.95	-7	-1.4	+6.0	+4.8	33	
North Carolina	1,985	29,587	14.91	+7	+7	+2.2	+4.1	40	
Virginia	988	12,554	12.71	+2.2	+2.9	+43.4	+40.4	57	
West Virginia	803	12,923	16.09	-1.4	+8	+6.8	-4	37	
Region V:									
Michigan	747	17,858	23.91	+1.1	-9	+7.3	-7	15	
Ohio	3,884	74,862	19.27	-8	-1.9	-1.6	-4.4	58	
Region VI:									
Indiana	2,450	49,652	20.27	(*)	-9	-1.2	+3.4	71	
Wisconsin	2,011	46,334	23.07	(*)	+1	+1.6	+4.4	69	
Region VII:									
Alabama	567	5,042	8.89	+2.5	+2.5	+18.1	+18.1		
Florida	2,133	26,540	12.44	-1.0	-7	-4.7	-18.9	20	
Georgia	1,088	10,885	10.00	+8.9	+8.7	-11.8	-19.3	128	
Mississippi	671	4,952	7.38	+2.3	+2.6	+54.3	+60.8	35	
South Carolina	759	7,875	10.38	-5.9	-6.8	-12.1	-8.5	40	
Tennessee	1,603	17,702	11.04	-7	-5	+12.6	-15.3	55	
Region VIII:									
Iowa	1,445	34,226	23.69	+1	+3	+11.3	+12.3	57	
Minnesota	885	23,746	26.83	+6	+9	+13.9	+22.6	57	
Nebraska	656	12,850	19.59	-2	(*)	+4.0	+2.2	48	
North Dakota	142	3,076	21.66	+7	+4.7	+25.7	+38.6	20	
South Dakota	232	3,818	16.46	(*)	+1.7	+1.8	-15.1	34	
Region IX:									
Arkansas	657	4,261	6.49	+8	+9	+6.1	+4.1	32	
Kansas	1,180	23,999	20.34	+1.3	+2.4	+14.7	+12.4	63	
Oklahoma	2,180	32,960	15.12	+8	+9	+8.8	+1.9	86	
Region X:									
Louisiana	1,024	17,110	16.71	+1.8	-1.9	+33.9	+70.2	48	
New Mexico	213	3,525	16.55	-5	-8	+7.6	+27.6	50	
Region XI:									
Arizona	334	8,804	26.36	+6	+3.6	+10.2	+18.4	81	
Colorado	642	18,635	29.03	-3	+5	+3.4	+5.9	60	
Idaho	285	6,128	21.50	-1.0	-2	-3.1	-4.9	55	
Montana	167	3,460	20.72	-1.2	-8	+47.8	+43.9	31	
Utah	206	5,839	28.07	-1.4	+4.5	+2.5	+12.3	40	
Wyoming	152	4,234	27.86	-7	-7	-6.2	-8.7	65	
Region XII:									
California	6,933	233,661	48.13	+1.3	+1.2	+12.0	+12.4	113	
Oregon	453	11,432	25.24	-4	-8	+4.1	+3.7	44	
Washington	1,040	31,637	30.42	+1.2	+1.5	+1.5	+2	63	
Territory:									
Hawaii	71	954	13.44	(*)	(*)	(*)	(*)	18	

<sup>1</sup> Social Security Board administrative regions.

<sup>2</sup> From Federal, State, and local funds; excludes cost of administration.

<sup>3</sup> Population as of July 1, 1937, estimated by the U. S. Bureau of the Census.

<sup>4</sup> Comparison for 40 States, the District of Columbia, and Hawaii with approved plans for January 1939 and January 1940.

<sup>5</sup> Not computed, because figures too small for comparison.

<sup>6</sup> No approved plan for aid to the blind for January 1939.

<sup>7</sup> Increase of less than 0.1 percent.

<sup>8</sup> Decrease of less than 0.1 percent.

<sup>9</sup> Does not include aid to the blind administered under State law without Federal participation.

<sup>10</sup> No change.

## STATISTICS BY STATES, DECEMBER 1939

Aggregate expenditures for payments to recipients of public assistance and earnings of persons employed under Federal work programs increased from November to December in 32 States. Although total assistance and earnings in the country as a whole rose only 0.6 percent in December, there were 13 States in which total payments were at least 5.0 percent higher than in November.

Decreases of more than 5.0 percent were recorded for 5 of the 17 States in which total assistance and earnings declined.

In December larger total amounts were earned on projects operated by the Work Projects Administration in 44 States, and larger sums were earned on WPA-financed projects operated by other Federal agencies in 28 States. Earnings on

**Table 8.—Amount of public assistance and earnings of persons employed under Federal work programs in the continental United States, by States, December 1939<sup>1</sup>**

[In thousands]

State	All public assistance and earnings of persons employed under Federal work programs	Obligations incurred for—		Subsistence payments certified by the Farm Security Administration	Earnings of persons employed under Federal work programs						
		Special types of public assistance	General relief		Civilian Conservation Corps	National Youth Administration		Work Projects Administration		Other Federal work and construction projects	
						Student aid	Work projects	Projects operated by the WPA	Projects operated by other Federal agencies		
Total	<sup>2</sup> \$273,454	\$48,668	\$38,724	\$1,710	\$17,621	\$2,955	\$5,428	\$107,658	\$4,006	<sup>2</sup> \$46,592	
Alabama	4,235	248	21	351	402	62	127	2,013	28	893	
Arizona	1,199	295	39	29	168	14	18	337	59	240	
Arkansas	3,122	147	18	6	536	33	122	1,789	35	435	
California	10,389	5,360	4,606	104	608	170	263	5,379	282	2,608	
Colorado	3,675	1,307	184	45	167	36	45	1,199	137	556	
Connecticut	3,281	530	516	(*)	142	22	59	1,171	37	804	
Delaware	344	44	34	(*)	28	4	7	136	8	83	
District of Columbia	2,773	123	47		55	18	19	570	168	1,774	
Florida	3,602	534	66	65	284	34	70	1,647	123	780	
Georgia	3,792	267	33	174	534	68	121	1,910	112	573	
Idaho	1,144	266	31	5	84	16	30	594	40	138	
Illinois	19,758	3,152	3,988	7	874	166	276	8,900	123	2,173	
Indiana	6,947	1,682	645	1	377	81	112	3,143	42	864	
Iowa	3,820	1,176	576	1	209	54	81	1,259	17	448	
Kansas	3,207	693	369	72	253	58	84	1,259	76	343	
Kentucky	3,946	401	43	9	400	53	124	1,875	83	959	
Louisiana	4,025	763	144	4	383	50	123	1,596	39	924	
Maine	1,569	371	272	3	123	14	62	346	46	239	
Maryland	2,551	556	208	1	174	29	56	672	131	723	
Massachusetts	13,434	3,091	1,972	(*)	508	85	177	4,900	200	2,410	
Michigan	9,726	1,790	1,387	3	550	112	208	4,812	55	810	
Minnesota	6,448	1,678	1,045	7	502	66	112	2,501	57	490	
Mississippi	3,227	155	5	11	407	44	93	1,737	34	740	
Missouri	8,043	1,769	328	13	707	78	213	4,061	44	828	
Montana	2,023	285	63	90	162	20	32	618	72	683	
Nebraska	2,966	577	125	67	213	38	59	1,350	39	498	
Nevada	404	64	15		29	2	3	93	9	189	
New Hampshire	1,202	130	191	1	43	10	19	358	10	441	
New Jersey	9,681	938	1,359	2	403	66	201	3,954	130	2,518	
New Mexico	1,162	103	13	39	153	12	40	642	33	127	
New York	31,626	4,727	9,692	4	1,115	305	448	9,888	220	5,228	
North Carolina	3,833	504	40	19	452	72	161	1,659	80	846	
North Dakota	1,418	232	71	63	204	26	54	647	28	93	
Ohio	15,376	3,333	1,518	3	792	158	217	7,883	81	1,301	
Oklahoma	4,938	1,483	464	49	592	77	109	1,878	29	607	
Oregon	2,304	531	170	6	146	28	38	572	41	471	
Pennsylvania	22,942	3,162	6,443	4	981	208	307	7,872	356	3,608	
Rhode Island	1,946	185	296	(*)	71	14	29	657	31	662	
South Carolina	3,082	237	20	17	323	41	78	1,623	98	644	
South Dakota	1,724	284	71	273	196	30	58	660	44	88	
Tennessee	4,048	606	431	8	475	62	114	1,586	38	1,120	
Texas	8,028	1,057	101	101	1,059	154	333	3,638	200	1,334	
Utah	1,537	405	124	9	79	28	31	634	50	178	
Vermont	473	105	62	1	28	9	11	181	29	46	
Virginia	3,639	206	78	10	415	55	108	925	194	1,648	
Washington	5,476	1,036	319	6	288	48	87	1,501	160	2,032	
West Virginia	3,005	372	108	6	309	39	117	1,593	15	447	
Wisconsin	6,776	1,577	1,153	6	401	80	158	2,827	37	537	
Wyoming	565	104	22	14	41	6	10	163	31	175	

<sup>1</sup> See footnotes to table 1.

<sup>2</sup> Includes \$2,000 not distributed by States.

<sup>3</sup> Less than \$1,000.

<sup>4</sup> Estimated.

work projects of the National Youth Administration increased in all but 4 States, and payments for student aid by that agency rose in about three-fifths of the States. With the close of an enrollment period at the end of the quarter, earnings of persons enrolled in the Civilian Conservation Corps declined in all States but one. For the third successive month, total earnings of persons employed on other Federal work and construction projects decreased in a large majority

of the States. Such earnings were lower in December in 40 States.

From November to December total obligations incurred for payments to recipients of the special types of public assistance increased in 40 States, and the total expended for general relief moved upward in 35 States. Larger amounts of subsistence payments were certified by the Farm Security Administration in about three-fourths of the States.

**Table 9.—Recipients of public assistance and persons employed under Federal work programs in the continental United States, by States, December 1939** <sup>1</sup>

State	Recipients of special types of public assistance			Cases receiving general relief	Cases for which subsistence payments were certified by the Farm Security Administration	Persons employed under Federal work programs					Other Federal work and construction projects			
	Old-age assistance	Aid to dependent children				Civilian Conservation Corps	National Youth Administration		Work Projects Administration					
		Families	Children				Student aid	Work projects	Projects operated by the WPA	Projects operated by other Federal agencies				
<b>Total.</b>	1,908,920	315,367	760,046	69,860	1,562,684	96,586	265,973	432,661	295,295	2,039,840	69,350			
Alabama	15,286	5,444	15,972	553	2,284	23,966	7,427	10,834	7,389	50,174	726			
Arizona	7,772	2,476	6,842	332	2,788	3,162	2,543	1,907	1,046	5,821	1,047			
Arkansas	18,351	4,012	10,883	652	3,500	239	8,090	6,151	7,318	42,132	863			
California	133,949	14,336	35,146	6,846	149,103	6,188	9,180	19,584	13,830	86,096	3,924			
Colorado	40,029	5,033	12,284	644	14,057	2,238	2,520	5,362	2,334	21,811	2,206			
Connecticut	16,883	1,436	3,300	251	18,720	2	2,145	2,828	2,917	18,206	730			
Delaware	2,563	500	1,265	1,645	6	419	797	1,637	447	2,383	132			
District of Columbia	3,323	910	2,703	211	1,761	4,950	4,282	1,104	8,590	2,222	12,590			
Florida	36,167	4,036	10,543	2,164	10,140	3,950	5,294	4,500	35,433	2,283	8,272			
Georgia	22,783	3,562	9,493	999	6,551	11,303	8,058	11,601	6,649	45,477	2,230			
Idaho	8,624	2,699	6,520	288	2,128	133	1,261	2,328	1,427	9,697	600			
Illinois	126,776	8,700	17,000	2,700	161,930	313	13,186	23,746	15,085	157,939	2,159			
Indiana	66,058	17,083	35,056	2,449	49,066	48	5,688	11,647	6,319	60,365	801			
Iowa	53,699	3,000	7,000	1,441	32,538	19	3,148	7,317	4,796	23,615	302			
Kansas	26,036	6,115	13,794	1,165	28,231	4,679	3,817	9,660	4,771	25,325	1,391			
Kentucky	45,137	249	780	1,400	4,800	133	6,034	8,051	6,816	43,394	8,977			
Louisiana	30,755	11,775	33,423	1,006	8,883	160	5,775	6,906	5,958	35,305	892			
Maine	13,977	1,426	3,612	1,247	11,650	56	1,856	1,937	2,073	6,682	756			
Maryland	17,956	7,263	19,560	675	9,146	27	2,623	3,592	3,636	12,652	2,144			
Massachusetts	82,119	11,180	28,568	1,167	68,018	3	7,667	11,259	9,342	83,818	2,791			
Michigan	77,476	13,267	34,123	739	64,503	140	8,297	15,382	11,336	87,120	975			
Minnesota	66,140	8,233	19,897	880	41,759	415	7,578	9,686	5,446	45,177	997			
Mississippi	19,872	3,104	3,162	656	1,551	519	6,144	8,284	5,832	43,074	850			
Missouri	78,723	9,520	23,006	3,655	25,061	842	10,677	12,094	13,217	76,757	861			
Montana	12,198	2,200	5,276	169	4,516	3,975	2,438	3,086	1,638	11,953	1,222			
Nebraska	27,390	5,200	11,743	657	10,032	4,368	3,216	5,856	3,530	26,507	617			
Nevada	2,256	1,125	330	10	798	435	281	229	1,656	143	1,288			
New Hampshire	4,612	594	1,553	326	7,620	18	647	1,158	894	6,716	157			
New Jersey	30,661	10,761	23,646	649	3,56,100	36	7,435	9,707	10,565	68,157	1,971			
New Mexico	4,038	1,784	5,208	214	1,952	2,414	2,312	1,908	2,051	11,877	569			
New York	114,600	36,375	71,916	2,732	266,028	84	16,830	41,060	20,282	150,880	3,441			
North Carolina	35,010	8,128	20,847	1,072	6,414	383	6,828	9,589	10,557	40,360	1,738			
North Dakota	8,868	2,258	6,289	141	5,074	3,425	3,061	4,665	3,076	13,164	937			
Ohio	125,699	10,074	28,337	3,916	94,161	139	11,930	21,568	11,331	138,828	1,335			
Oklahoma	70,366	17,416	40,087	2,162	13,500	1,736	8,932	15,173	6,035	45,906	2,125			
Oregon	20,775	1,901	4,401	455	11,248	217	2,205	3,731	2,043	14,498	678			
Pennsylvania	78,374	30,245	69,318	12,689	224,626	118	14,813	32,472	15,986	142,762	4,508			
Rhode Island	6,785	1,166	3,162	55	3,10,600	4	1,077	1,833	1,544	11,773	479			
South Carolina	21,045	3,855	11,387	807	2,185	889	4,883	6,845	4,342	37,780	1,847			
South Dakota	14,212	1,694	3,847	232	5,073	15,406	2,956	5,901	3,511	14,383	776			
Tennessee	40,733	9,663	25,664	1,614	14,300	197	7,163	10,570	7,606	37,972	874			
Texas	120,625	103	227	1	12,451	3,074	15,991	21,102	18,657	88,680	4,126			
Utah	13,875	3,314	7,963	210	5,778	385	1,188	3,914	1,683	10,690	841			
Vermont	5,588	483	1,397	156	2,760	15	429	1,194	554	3,833	567			
Virginia	16,229	1,794	5,814	967	8,285	248	6,267	7,212	6,442	21,784	3,650			
Washington	39,098	4,799	10,908	1,028	23,707	184	4,354	6,945	4,674	25,608	2,193			
West Virginia	17,362	7,289	20,596	814	12,223	114	4,671	7,106	5,627	32,639	290			
Wisconsin	49,652	11,942	27,395	2,012	50,599	137	6,047	12,115	8,244	51,166	681			
Wyoming	3,315	717	1,773	153	1,531	479	613	774	597	3,126	461			

<sup>1</sup> See footnotes to table 2.

<sup>2</sup> Includes 19 persons not distributed by States.

<sup>3</sup> Estimated.

## STATISTICS BY STATES, 1938 AND 1939

State data on expenditures for payments to recipients under the various public-assistance and Federal work programs during the calendar years 1938 and 1939 are presented in tables 10 and 11. The total sums spent for the various types of assistance and earnings in the several States cannot readily be compared because of the ex-

treme differences in State populations. Comparisons of the State data are, therefore, greatly facilitated by expressing total expenditures in terms of the amount spent per inhabitant (table 12).

Total expenditures per inhabitant for assistance and earnings were higher in 1939 than in 1938 in 28 States and lower in 21 States. The amounts

Table 10.—Amount of public assistance and earnings of persons employed under Federal work programs in the continental United States, by States, calendar year 1938<sup>1</sup>

[In thousands]

State	All public assistance and earnings of persons employed under Federal work programs	Obligations incurred for—		Subsistence payments certified by the Farm Security Administration	Earnings of persons employed under Federal work programs					
		Special types of public assistance	General relief		Civilian Conservation Corps	National Youth Administration	Work Projects Administration	Other Federal work and construction projects		
Total	\$3,487,179	\$508,981	\$476,202	\$22,587	\$230,318	\$19,598	\$41,558	\$1,722,276	\$28,559	\$437,100
Alabama	42,454	2,808	283	411	6,298	302	675	10,254	223	12,201
Arizona	17,080	2,677	514	239	1,970	57	116	6,283	278	4,916
Arkansas	29,698	2,302	264	56	7,081	202	1,073	15,749	345	2,625
California	220,794	54,376	37,401	894	7,084	1,139	1,426	75,348	2,455	40,671
Colorado	44,385	14,254	4,204	261	2,069	276	460	17,718	1,330	5,972
Connecticut	41,393	5,520	6,943	5	2,032	154	533	20,177	445	5,544
Delaware	4,672	528	437	4	404	19	43	1,969	92	1,177
District of Columbia	24,058	1,685	609	618	143	121	6,707	550	13,625	
Florida	35,041	5,705	663	178	4,073	222	614	19,157	324	4,105
Georgia	39,963	4,607	557	272	7,344	426	748	19,956	740	5,333
Idaho	13,755	3,064	4,499	65	880	116	211	5,742	419	2,739
Illinois	251,003	30,802	47,843	60	11,997	1,006	2,712	137,428	803	18,290
Indiana	90,183	13,980	9,528	21	5,075	511	807	57,300	485	5,476
Iowa	47,330	12,435	6,265	17	3,398	372	398	18,329	109	6,007
Kansas	36,948	5,900	2,753	1,319	2,834	454	763	18,288	332	4,188
Kentucky	44,644	3,924	4,535	22	6,448	427	1,158	26,358	469	5,303
Louisiana	40,012	5,465	1,200	73	4,900	313	831	18,794	151	8,266
Maine	17,945	3,145	3,158	17	1,363	88	367	4,871	237	4,681
Maryland	26,565	6,453	2,433	10	2,151	178	159	7,954	941	6,287
Massachusetts	166,381	30,193	24,033	9	7,174	567	1,397	87,809	823	14,374
Michigan	160,370	20,624	27,139	79	6,209	720	1,534	101,242	730	10,702
Minnesota	87,231	17,908	12,260	243	5,725	482	1,043	42,703	340	6,525
Mississippi	30,008	1,099	48	128	5,684	232	612	13,807	217	8,181
Missouri	96,090	17,496	4,972	226	9,023	543	1,154	53,102	511	9,062
Montana	31,174	8,646	1,193	1,417	1,897	156	338	13,304	769	8,453
Nebraska	35,605	6,502	1,258	1,966	2,929	261	379	17,186	286	4,857
Nevada	4,596	661	119	222	18	28	1,460	39	2,449	
New Hampshire	16,386	1,269	2,539	11	587	73	185	5,963	113	5,345
New Jersey	127,921	9,885	21,678	16	6,910	419	1,517	70,397	1,232	15,867
New Mexico	14,010	972	149	91	2,361	89	380	6,252	196	3,520
New York	431,302	48,701	125,075	71	13,089	1,906	4,757	196,237	1,985	38,881
North Carolina	34,782	4,835	417	34	5,820	423	635	15,061	462	7,064
North Dakota	23,516	1,959	1,211	6,409	2,989	204	499	8,117	321	1,806
Ohio	245,335	35,990	21,620	55	9,926	1,052	2,023	163,184	346	11,122
Oklahoma	59,362	15,170	4,184	71	8,676	582	1,270	26,709	777	4,263
Oregon	26,577	5,162	2,233	30	1,657	171	198	11,702	373	5,022
Pennsylvania	340,849	34,728	76,226	40	13,252	1,509	3,383	180,237	1,420	30,024
Rhode Island	26,175	1,936	4,320	2	1,247	86	242	12,357	93	6,994
South Carolina	30,437	2,979	340	306	4,614	276	540	14,831	728	5,823
South Dakota	25,846	4,095	825	6,188	2,717	239	567	8,944	277	1,996
Tennessee	39,723	5,780	4,334	10	6,024	399	692	14,790	359	11,334
Texas	86,153	18,518	4,138	115	13,054	907	1,519	33,494	917	16,240
Utah	17,345	4,788	902	23	1,072	167	261	7,216	631	2,284
Vermont	7,175	1,022	810	7	401	54	59	3,638	190	995
Virginia	35,023	297	1,222	26	5,546	350	581	10,354	1,105	15,543
Washington	72,278	12,448	5,029	204	3,347	324	473	31,045	1,998	17,411
West Virginia	38,542	4,659	2,536	8	4,133	306	769	23,546	117	2,469
Wisconsin	87,657	14,852	10,418	713	5,064	522	1,184	47,769	282	6,854
Wyoming	8,703	1,018	331	170	598	37	87	2,460	149	3,915

<sup>1</sup> See footnotes to table 1.

<sup>2</sup> Figures cover July-December only, because WPA funds were used to finance these projects only during the last half of 1938.

<sup>3</sup> Includes \$225,000 not distributed by States.

<sup>4</sup> Estimated.

spent per inhabitant were higher in 1939 in a large majority of the States for the special types of public assistance, for earnings on Federal work and construction projects other than those operated or financed by the Work Projects Administration, National Youth Administration, and Civilian Conservation Corps, and for payments under the student-aid and work programs of the NYA. On the other hand, the sums expended

per inhabitant either declined or were unchanged in a majority of the States for earnings on WPA-operated projects, general relief, earnings of CCC enrollees, and subsistence payments of the Farm Security Administration. Earnings on WPA-financed projects operated by other Federal agencies cannot be compared for the two years, because these projects were financed by the WPA for only the last 6 months of 1938.

Table 11.—Amount of public assistance and earnings of persons employed under Federal work programs in the continental United States, by States, calendar year 1939<sup>1</sup>

[In thousands]

State	All public assistance and earnings of persons employed under Federal work programs	Obligations incurred for—		Subsistence payments certified by the Farm Security Administration	Earnings of persons employed under Federal work programs					
		Special types of public assistance	General relief		Civilian Conservation Corps	National Youth Administration		Work Projects Administration		
						Student aid	Work projects	Projects operated by the WPA	Projects operated by other Federal agencies	
Total	\$3,494,347	\$565,969	\$481,721	\$19,050	\$230,513	\$22,645	\$51,510	\$1,508,413	\$56,652	
Alabama	46,749	2,810	250	994	6,194	435	1,331	22,806	392	
Arizona	16,151	3,354	460	453	2,152	102	194	4,908	4,043	
Arkansas	33,874	1,687	220	253	6,350	245	1,046	18,915	569	
California	231,280	62,047	47,552	945	8,121	1,296	1,931	71,430	4,644	
Colorado	44,856	15,763	2,347	297	2,245	284	506	14,620	1,843	
Connecticut	44,209	5,929	6,878	3	2,404	167	640	17,112	709	
Delaware	5,023	532	444	4	404	27	67	1,746	1,670	
District of Columbia	28,280	1,540	514	675	158	190	7,034	1,734	16,435	
Florida	41,961	6,921	709	164	3,573	251	709	21,617	1,121	
Georgia	44,275	3,834	426	474	6,897	512	1,121	23,427	1,294	
Idaho	13,429	3,109	371	50	1,002	127	313	5,601	649	
Illinois	248,927	35,192	48,433	74	12,278	1,277	2,873	124,417	1,362	
Indiana	91,249	19,004	8,325	24	5,227	596	1,134	45,601	825	
Iowa	46,687	13,625	6,207	14	2,973	429	569	15,681	254	
Kansas	37,414	7,602	3,445	999	3,082	479	934	14,944	1,047	
Kentucky	49,270	4,804	1,534	145	5,289	430	1,338	25,669	9,743	
Louisiana	44,717	6,871	1,284	119	4,915	404	1,246	20,460	316	
Maine	18,764	3,974	2,760	24	1,515	113	571	4,568	406	
Maryland	30,668	6,699	2,575	12	2,301	212	381	7,911	2,120	
Massachusetts	169,663	34,767	22,093	7	7,158	634	1,506	75,820	2,634	
Michigan	141,954	21,863	17,836	68	7,384	865	1,845	77,908	887	
Minnesota	85,102	19,905	12,653	295	6,065	517	1,168	36,647	833	
Mississippi	34,462	1,785	51	696	5,089	304	997	16,419	360	
Missouri	96,246	20,610	4,375	869	8,922	622	1,397	48,126	698	
Montana	27,486	3,446	966	1,335	1,954	147	325	9,451	1,063	
Nebraska	34,584	6,742	1,405	969	2,672	280	585	15,490	529	
Nevada	4,790	747	143	(6)	282	18	34	1,143	69	
New Hampshire	16,442	1,521	2,350	10	565	70	234	5,102	177	
New Jersey	123,612	11,051	18,319	27	6,722	495	1,785	58,631	2,142	
New Mexico	13,883	1,033	157	446	1,890	89	464	6,442	358	
New York	427,231	54,240	122,627	115	14,641	2,281	5,278	163,551	4,321	
North Carolina	42,987	5,727	433	81	5,834	566	1,157	17,984	906	
North Dakota	18,380	2,592	955	2,950	2,589	218	488	6,672	520	
Ohio	221,849	37,627	20,400	86	10,928	1,196	2,125	130,381	911	
Oklahoma	60,640	17,819	708	427	7,375	609	1,301	24,921	1,350	
Oregon	27,664	6,079	1,913	86	1,890	206	307	10,761	575	
Pennsylvania	328,320	35,961	93,316	63	14,610	1,621	3,252	133,066	4,124	
Rhode Island	25,204	2,117	3,540	3	1,090	111	347	9,454	422	
South Carolina	35,876	3,169	284	203	4,175	308	933	17,516	8,119	
South Dakota	20,978	3,724	838	3,516	2,451	275	567	7,741	618	
Tennessee	45,572	6,301	321	64	6,012	480	1,123	17,869	586	
Texas	100,461	17,870	1,384	818	12,870	1,134	2,427	39,999	2,818	
Utah	17,617	4,757	1,363	34	1,043	198	345	6,888	795	
Vermont	6,652	1,227	779	12	422	69	80	2,851	351	
Virginia	43,429	1,988	984	52	5,303	412	966	11,071	1,975	
Washington	69,411	12,454	3,391	79	3,494	289	605	23,599	2,788	
West Virginia	39,055	4,702	1,619	41	3,865	335	1,213	21,357	193	
Wisconsin	88,933	17,673	12,406	493	5,088	592	1,448	41,052	462	
Wyoming	8,030	1,172	378	154	580	41	114	2,007	325	

<sup>1</sup> See footnotes to table 1.

<sup>2</sup> Includes \$32,000 not distributed by States.

<sup>3</sup> Includes \$25,000 not distributed by States.

<sup>4</sup> Includes \$27,000 not distributed by States.

<sup>5</sup> Estimated.

<sup>6</sup> Less than \$500.

Table 12.—Amount per inhabitant of public assistance and earnings of persons employed under Federal work programs in the continental United States, by States, calendar years 1938 and 1939.  
[Corrected to Feb. 15, 1940]

State	Earnings of persons employed under Federal work programs											
	National Youth Administration						Work Projects Administration					
	Obligations incurred for—		Subsistence payments earned by the Farm Security Administration		Civilian Conservation Corps		Student aid		Work projects		Projects operated by other Federal agencies	
1938	1939	1938	1939	1938	1939	1938	1939	1938	1939	1938	1939	1938
All public assistance and earnings of persons employed under Federal work programs	\$36.98	\$27.03	\$3.94	\$4.38	\$3.68	\$3.73	\$0.17	\$0.15	\$1.78	\$0.15	\$0.18	\$0.40
Total												
Alabama	14.66	16.15	9.75	9.7	1.10	1.12	.34	.28	2.14	.10	.15	.46
Arizona	14.46	16.50	6.50	8.14	1.25	1.11	.58	1.10	4.78	5.22	.25	.47
Arkansas	14.50	16.54	8.12	8.13	.11	.03	.13	.46	3.10	.10	.12	.52
California	35.88	37.56	8.84	10.08	7.73	7.19	.16	1.15	1.32	.19	.21	.47
Colorado	41.44	41.88	13.31	14.72	1.91	2.19	.24	1.03	2.10	.26	.21	.47
Connecticut	23.78	19.24	2.02	2.04	1.67	1.70	(*)	1.18	1.38	.06	.07	.47
Delaware	17.90	19.24	2.69	2.46	.97	.82	.01	1.55	1.55	.07	.10	.32
District of Columbia	38.37	45.10	2.69	2.46	.42	.11	.10	.99	1.08	.23	.19	.25
Florida	20.98	25.13	3.42	4.14	.40	.14	.42	2.44	2.14	.13	.15	.37
Georgia	12.96	14.35	1.49	2.14	.16	.14	.09	.16	2.38	.24	.14	.17
Idaho	27.90	27.24	6.26	6.31	1.01	.75	.13	.10	1.78	2.03	.24	.26
Illinois	31.86	31.91	4.47	6.07	2.40	2.74	.01	1.52	1.66	.14	.16	.34
Indiana	26.82	26.27	4.02	5.34	2.43	2.45	.01	1.46	1.56	.15	.17	.33
Iowa	18.55	18.29	4.87	5.34	1.48	1.48	.01	1.33	1.36	.15	.17	.22
Kansas	19.82	20.07	3.22	4.08	1.85	2.05	.01	1.52	1.63	.24	.26	.41
Kentucky	15.29	16.87	1.34	1.34	1.65	.18	.01	.06	2.21	1.81	.15	.15
Louisiana	18.77	20.97	2.56	3.69	1.56	1.56	.02	.06	2.30	2.31	.15	.40
Maine	20.96	21.92	3.67	4.64	1.45	1.53	.01	1.59	1.77	.10	.13	.43
Maryland	15.82	18.27	3.84	4.08	1.53	1.53	(*)	1.28	1.28	.13	.14	.32
Massachusetts	37.59	38.33	6.82	7.86	4.53	4.90	.01	1.62	1.62	.13	.14	.34
Michigan	35.07	39.39	4.27	5.53	5.62	3.69	.02	.01	1.35	1.53	.15	.32
Minnesota	32.89	32.99	6.75	7.51	4.02	4.77	.03	.03	2.30	2.31	.18	.32
Mississippi	14.83	17.03	.54	.88	.02	.03	.06	.06	2.81	2.53	.11	.45
Missouri	24.13	4.30	5.17	1.25	1.10	1.00	.01	.22	2.26	2.24	.14	.27
Montana	47.84	50.90	6.76	7.90	2.21	2.21	.01	2.48	3.63	.29	.27	.63
Nevada	26.10	25.35	4.77	4.94	1.92	1.03	1.44	2.15	1.96	.19	.21	.28
New Hampshire	49.46	47.43	6.54	7.39	1.18	1.42	(*)	2.20	2.20	.16	.18	.36
New Jersey	32.13	32.24	2.49	2.49	5.57	4.61	.02	1.15	1.11	.14	.16	.36
New Mexico	26.45	28.46	2.28	2.64	4.90	4.90	.22	1.59	1.55	.10	.11	.36
New York	33.20	32.90	3.76	4.15	.35	.37	.21	1.66	4.48	.21	.21	.90
North Carolina	33.26	32.97	4.96	5.12	.12	.12	.01	1.01	1.13	.15	.16	.37
North Dakota	33.31	33.03	1.38	1.64	1.72	1.35	.06	4.18	4.23	.67	.68	.41
Ohio	36.44	32.96	5.35	5.59	3.21	3.03	.01	1.47	1.62	.16	.18	.30
Oklahoma	23.30	23.80	5.95	6.90	.72	.28	.03	.17	2.80	.23	.24	.61
Oregon	26.88	26.94	5.03	5.92	2.17	1.86	.03	.08	1.64	1.84	.17	.20
Pennsylvania	33.50	32.26	3.42	3.53	7.49	9.17	(*)	1.80	1.44	.15	.16	.33
Rhode Island	38.44	37.01	2.84	3.11	4.73	5.20	(*)	1.83	1.60	.13	.16	.36
South Carolina	16.23	19.13	1.50	1.60	.18	.16	.11	2.46	2.23	.15	.16	.29
South Dakota	37.35	30.31	5.92	5.38	1.19	1.21	8.94	6.08	3.93	3.64	.35	.40
Tennessee	13.73	15.75	2.00	2.18	.12	.11	(*)	.02	2.08	2.08	.14	.17
Texas	13.96	16.28	3.00	3.00	2.90	2.90	.22	1.13	2.11	.15	.18	.26
Utah	33.42	33.94	0.23	0.23	9.17	2.63	.04	0.01	1.07	.12	.17	.40
Vermont	18.73	17.37	2.67	2.67	2.12	2.12	.03	1.05	1.00	.14	.15	.41
Virginia	12.94	16.05	1.11	1.11	7.73	4.45	.02	0.05	2.05	.13	.15	.21
Washington	43.60	41.86	7.61	7.61	2.50	3.03	.87	1.12	0.05	2.22	2.07	.20
West Virginia	20.67	20.94	2.50	2.50	3.36	3.36	(*)	.12	2.23	2.07	.16	.18
Wisconsin	26.96	30.39	5.08	6.04	3.56	4.24	.24	1.17	1.73	.14	.15	.40
Wyoming	37.29	34.17	4.33	4.33	1.41	1.61	.72	.65	2.54	.17	.17	.46

\* Less than 1 cent.

\* Figures cover July-December only. See table 10, footnote 2.

† See footnotes to table 1.

## STATISTICS FOR URBAN AREAS

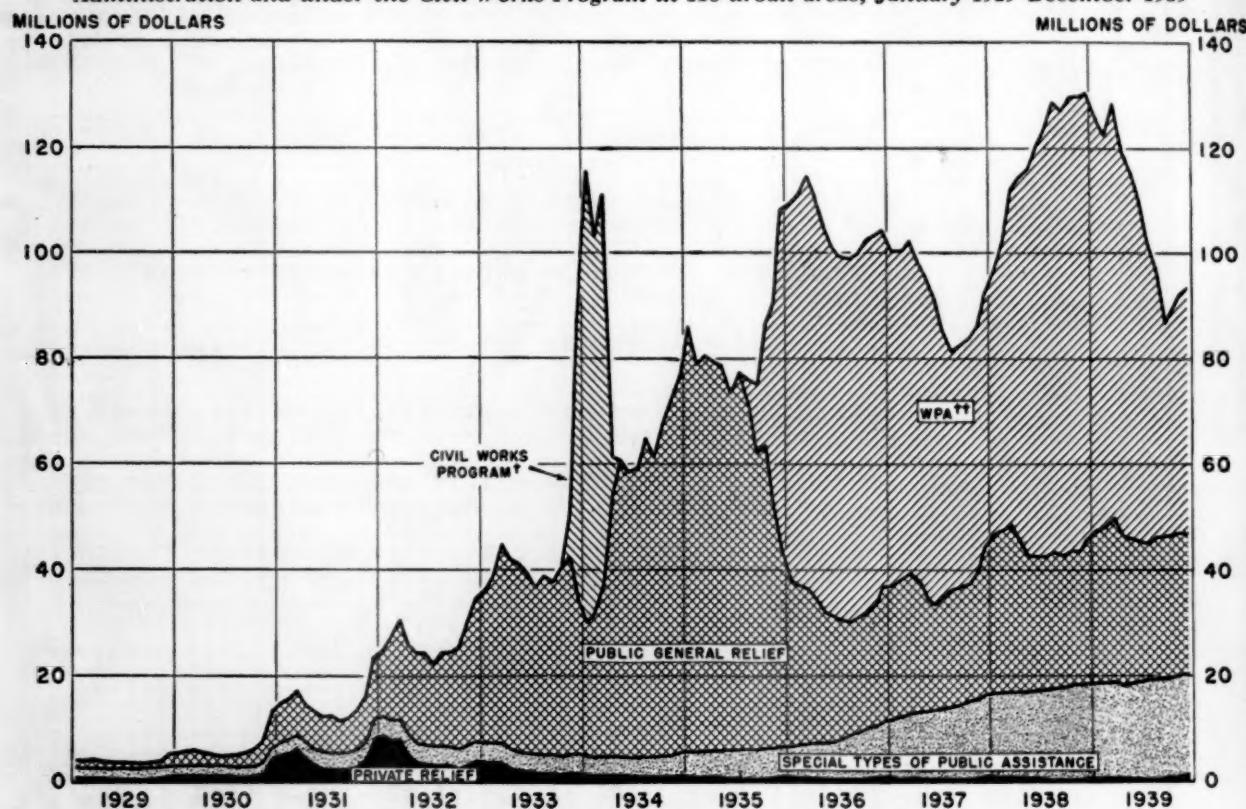
### Public and Private Aid in 116 Urban Areas

Expenditures totaling \$93.4 million were made in December in 116 urban areas for payments to recipients of the special types of public assistance, public general relief, and private assistance, and for earnings of persons employed on projects operated by the Work Projects Administration. Excluded from this aggregate amount are all costs of administering the various programs and of materials, equipment, and supplies used in operating work projects. Data are not available for the urban areas on earnings of persons employed on WPA-financed projects operated by other Federal agencies and other Federal work and construction projects, earnings of persons enrolled in the Civilian Conservation Corps, or earnings under the program of the National Youth Administration.

The upward movement in total payments for

public and private assistance and WPA earnings which was recorded in October and November was evident also in December. The rate of increase—1.6 percent—was smaller, however, than in either of the 2 preceding months. A further rise in total earnings of persons employed on WPA-operated projects was responsible for most of the increase in aggregate expenditures. In December WPA earnings amounted to \$46.6 million—3.5 percent more than in November. Total obligations incurred for payments to recipients of old-age assistance, aid to dependent children, and aid to the blind rose 0.6 percent to \$19.3 million. Expenditures for general relief by public agencies totaled \$26.3 million—1.6 percent below the November level. The total volume of assistance disbursed by private agencies increased almost 19 percent, but private assistance accounts for a negligible proportion of the total expended for assistance and WPA earnings in the urban areas.

**Chart I.—Public and private assistance and earnings of persons employed on projects operated by the Work Projects Administration and under the Civil Works Program in 116 urban areas, January 1929—December 1939**



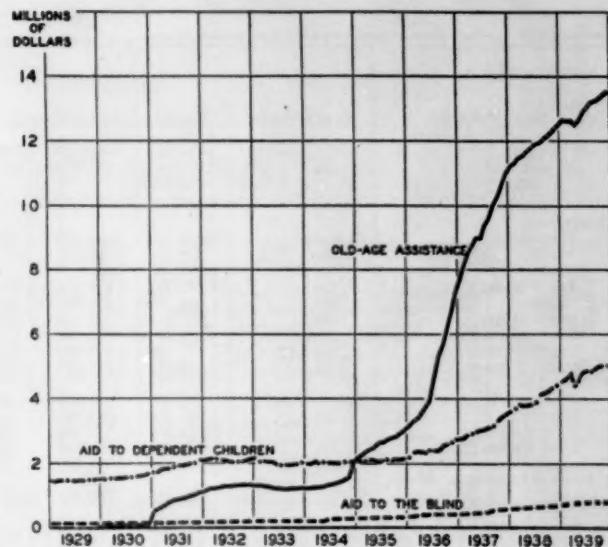
† Earnings of all persons employed under the Civil Works Program, including the administrative staff.

\*\* Earnings on projects operated by the Work Projects Administration within the areas.

Of the total sum spent in December, earnings on WPA-operated projects represented the largest share—49.9 percent. Payments for general relief by public agencies comprised 28.1 percent of the total, and obligations incurred for the three special types of public assistance accounted for 20.7 percent. Private assistance represented only 1.3 percent of aggregate payments.

Total payments in December 1939 can be compared with the total expended in the same month of 1938 for only 105 of the 116 urban areas, since WPA earnings for 11 areas represent the amount earned on projects operated within the county in December 1938 and within the city in December of last year. In the 105 areas for which comparable data are available, total expenditures for assistance and WPA earnings amounted to 27.9 percent less in December 1939 than in the same month a year earlier. This decline was attributable chiefly to a marked reduction of 43.9 percent in the total amount earned on WPA-operated projects. Aggregate payments for general relief by public agencies decreased 3.4 percent from December 1938, and the amount spent for assistance

Chart II.—*Special types of public assistance in 116 urban areas, January 1929–December 1939*



by private agencies also declined. On the other hand, obligations incurred for the special types of public assistance totaled 9.5 percent more in December 1939 than in December 1938.

Table 1.—*Recipients of public and private assistance, amount of assistance, and earnings of persons employed on projects operated by the Work Projects Administration in 116 urban areas, December 1939*

[Corrected to Feb. 20, 1940]

Type of agency	Number of cases	Amount <sup>1</sup>	Percentage change from—				Percentage distribution of amount		
			November 1939 in—		December 1938 <sup>2</sup> in—		Decem- ber 1939	Novem- ber 1939	Decem- ber 1938 <sup>3</sup>
			Number of cases	Amount	Number of cases	Amount			
Total	( <sup>4</sup> )	\$93,420,230		+1.6		-27.9	100.0	100.0	100.0
Public agencies	( <sup>4</sup> )	\$92,201,747		+1.4		-28.1	98.7	98.9	99.0
Agencies administering:									
General relief <sup>4</sup>	906,085	26,282,682	-2.5	-1.6	( <sup>7</sup> )	-3.4	28.1	29.1	20.6
Special types of assistance <sup>5</sup>	702,125	19,276,588	+.4	+.6	+10.4	+9.5	20.7	20.8	13.7
Old-age assistance	558,318	13,508,182	+.4	+.6	+9.7	+8.3	14.5	14.6	9.7
Aid to dependent children <sup>6</sup>	120,471	5,018,256	+.3	+.5	+15.2	+13.5	5.4	5.4	3.4
Aid to the blind <sup>7</sup>	23,336	750,150	+.5	+.9	+4.7	+5.2	.8	.8	.6
Work Projects Administration <sup>8</sup>	( <sup>4</sup> )	46,642,477	( <sup>7</sup> )	+3.5	( <sup>7</sup> )	-43.9	49.9	40.0	64.7
Private agencies <sup>10</sup>	( <sup>4</sup> )	\$1,218,483		+18.8		-2.6	1.3	1.1	1.0
Nonsectarian agencies	( <sup>4</sup> )	447,562		+15.0		-7.1	.5	.4	.4
Jewish agencies	( <sup>4</sup> )	161,111		+2.3		-4.4	.2	.2	.1
Catholic agencies	( <sup>4</sup> )	286,574		+17.3		-3.0	.3	.3	.3
Salvation Army	( <sup>4</sup> )	100,141		+180.8		+45.6	.1	( <sup>11</sup> )	( <sup>11</sup> )
Other private agencies	( <sup>4</sup> )	223,095		+12.4		-4.8	.2	.2	.2

<sup>1</sup> Excludes cost of administration; of materials, equipment, and other items incident to operation of work programs; and of transient care.

<sup>2</sup> Based on data for 105 areas. Comparable data are not available for 11 areas because WPA earnings relate to county in December 1938 and to city in December 1939.

<sup>3</sup> Not available.

<sup>4</sup> Includes estimated amounting to \$283,107.

<sup>5</sup> Public agencies administered \$1,805 of private funds while private agencies administered \$9,670 of public funds, so that total amounts contributed from public and private sources, respectively, were \$92,200,612 and \$1,210,618.

<sup>6</sup> Includes direct and work relief and statutory aid to veterans administered on basis of need.

<sup>7</sup> Decrease of less than 0.1 percent.

<sup>8</sup> Includes figures for areas in States with plans approved by the Social Security Board and for areas in States not participating under the Social Security Act.

<sup>9</sup> Figures from the WPA, Division of Statistics; represent earnings of persons employed on projects operated by the WPA within these areas and cover all pay-roll periods ended during month. Figures are not available for these areas for earnings of persons employed on projects other than those operated by the WPA.

<sup>10</sup> Includes direct and work relief and aid to veterans.

<sup>11</sup> Less than 0.1 percent.

Table 2.—Amount of public and private assistance and earnings of persons employed on projects operated by the Work Projects Administration, by urban areas, December 1939

[Corrected to Feb. 20, 1940]

State and city	Area included	Total <sup>1</sup>	Public funds						Private funds <sup>2</sup>	Percentage change in total from—		
			Total	General relief <sup>3</sup>	Old-age assistance	Aid to dependent children <sup>3</sup>	Aid to the blind <sup>3</sup>	WPA earnings <sup>4</sup>		November 1939	December 1938	
Alabama:												
Birmingham	County	\$482,828	\$482,632	\$7,346	\$22,408	\$16,908	\$845	\$435,035	\$196	-10.7	-31.6	
Mobile	do	134,113	133,367	1,015	7,822	1,971	144	122,415	746	+21.3	-14.2	
California:												
Los Angeles	do	5,916,121	1,869,917	1,788,253	209,748	158,204	1,889,909	8 25,121	+4.4	+2.4		
Oakland	do	1,332,025	343,692	236,315	51,626	23,475	656,917	3,239	+7.0	-11.1		
Sacramento	do	306,359	304,133	61,204	108,625	19,700	7,176	107,428	2,226	+8.6	-4	
San Diego	do	672,377	671,398	170,866	226,375	27,859	12,066	234,232	979	+4.6	-5	
San Francisco	do	1,710,160	1,692,059	496,118	339,955	53,199	24,981	777,806	18,101	+4.3	-15.4	
Colorado: Denver	do	755,211	751,477	56,217	311,252	47,481	3,920	332,607	3,734	+1.0	+2.1	
Connecticut:												
Bridgeport	City	192,908	189,058	48,721	34,512	6,493	567	98,765	3,850	+1.5	(?)	
Hartford	do	249,648	233,296	64,611	54,050	5,020	958	108,657	8 16,350	+5.9	-28.1	
New Britain	do	78,207	77,742	9,979	13,052	2,394	184	52,133	465	-7.9	-45.4	
New Haven	do	295,062	289,184	72,049	52,082	7,843	1,095	156,115	5,578	-1.0	(?)	
Delaware: Wilmington	County	174,639	171,318	32,006	16,813	10,120		112,289	3,221	+14.1	-22.8	
District of Columbia: Washington	City	762,075	740,086	47,085	53,333	34,423	5,427	560,818	8 21,989	+15.6	-18.9	
Florida:												
Jacksonville	County	335,007	330,502	5,554	44,693	8,811	2,917	268,527	4,505	+1.5	-22.8	
Miami	do	152,515	145,047	6,530	34,716	10,808	1,937	91,056	7,468	-2.6	-20.8	
Georgia: Atlanta	do	400,145	391,939	11,309	16,262	15,043	1,567	347,758	8,206	-1.1	-46.6	
Illinois:												
Chicago	do	8,549,869	8,462,690	2,934,162	1,141,513	80,625	72,063	4,234,327	87,179	+2.9	-31.2	
Springfield	do	282,539	280,270	37,748	42,338	1,615	4,692	193,877	2,269	+4.5	-3.7	
Indiana:												
Evansville	do	355,380	354,327	33,266	41,924	22,370	1,639	255,128	1,033	-3	-12.5	
Fort Wayne	do	230,891	228,197	35,495	42,150	21,571	1,372	127,609	2,694	+6.8	-17.6	
Indianapolis	do	837,956	828,583	130,306	134,466	71,703	6,512	476,596	9,373	-1.5	-32.3	
South Bend	do	257,924	256,753	48,715	36,339	20,749	1,012	146,938	1,171	-1.9	-33.7	
Terre Haute	do	303,090	300,620	27,273	54,066	18,336	2,066	198,879	2,470	+1.2	-30.1	
Iowa:												
Des Moines	do	513,037	511,946	83,684	80,073	4,094	5,364	329,731	1,091	+2.5	-7.2	
Sioux City	do	207,111	206,413	64,257	42,898	7,898	1,691	89,669	698	+7.9	-12.8	
Kansas:												
Kansas City	do	326,429	326,020	62,039	30,759	14,784	1,567	216,871	8 409	+24.4	-15.9	
Topeka	do	133,521	131,479	12,733	18,018	7,799	1,096	91,833	2,042	+10.6	-3.2	
Wichita	do	217,101	216,391	64,755	41,692	18,716	1,936	89,292	710	+6.1	-9.2	
Kentucky: Louisville	do	288,823	278,589	23,399	33,605	9,364		212,221	8 7,234	+9.5	-28.9	
Louisiana:												
New Orleans	Parish	1,175,717	1,164,440	44,260	78,674	98,469	5,762	937,275	8 11,277	+14.0	-3.5	
Shreveport	do	55,711	55,204	8,932	18,232	15,114	605	12,321	507	+16.1	+20.2	
Maine: Portland	City	100,193	97,624	22,874	19,510	4,318	1,330	49,592	2,569	+3.0	(?)	
Maryland: Baltimore	do	759,875	740,401	191,969	152,371	142,192	9,201	244,668	19,474	+2.7	-11.7	
Massachusetts:												
Boston	do	2,756,571	2,668,826	512,747	440,123	245,425	8,373	1,462,158	87,745	+16.6	-14.0	
Brockton	do	213,772	207,176	43,741	58,728	8,577	473	95,657	6,596	+9.3	-18.6	
Cambridge	do	284,962	279,188	103,932	45,608	24,194	1,002	104,422	5,804	+13.0	(?)	
Fall River	do	262,367	261,244	60,993	57,536	12,464	905	129,046	1,123	+4.1	-57.6	
Lawrence	do	155,834	153,433	23,655	44,604	5,300	525	79,349	2,401	+3.0	-26.4	
Lowell	do	315,813	312,184	70,867	67,686	16,321	729	156,581	3,629	+5.5	-24.8	
Lynn	do	261,417	257,195	59,438	78,924	12,009	706	106,118	4,222	+2.1	-15.3	
Malden	do	121,016	120,980	44,522	31,763	6,357	275	38,063	36	+2.6	-20.7	
New Bedford	do	276,660	273,936	54,708	79,291	11,652	892	127,393	2,724	+4.4	-23.3	
Newton	do	90,599	88,481	36,192	18,097	8,309	122	25,761	2,118	+7.6	-9.5	
Springfield	do	327,869	323,684	101,336	81,370	22,656	862	117,460	4,185	+13.3	-21.5	
Worcester	do	421,132	416,995	143,938	94,328	26,870	811	151,048	4,137	-18.4	-18.5	
Michigan:												
Detroit	County	3,458,769	3,441,966	802,063	232,075	346,698	5,744	2,035,386	16,803	-9.1	-32.8	
Flint	do	324,580	324,299	56,336	55,572	19,723	520	192,148	281	+5.4	-36.7	
Grand Rapids	do	460,604	459,920	59,168	104,987	26,812	1,152	267,831	684	-1.5	-37.9	
Pontiac	do	251,867	251,088	24,659	48,908	28,792	638	148,091	779	-7	-41.7	
Saginaw	do	181,494	180,287	22,553	29,742	17,166	418	110,408	1,207	-3	-33.6	
Minnesota:												
Duluth	do	686,634	681,518	177,000	113,271	36,127	2,645	352,475	5,116	-7.1	-22.0	
Minneapolis	do	1,357,065	1,346,974	421,734	299,525	52,852	5,201	567,662	10,091	-4	-29.8	
St. Paul	do	732,804	726,851	243,616	112,027	25,311	3,068	342,829	5,953	+3.6	-33.6	
Missouri:												
Kansas City	do	940,973	929,027	82,478	172,702	13,025	10,400	650,422	8 11,946	+3.6	-11.5	
St. Louis	City and county	1,487,939	1,463,676	140,640	226,629	35,267	16,525	1,044,615	24,263	+7.0	-40.9	
Nebraska: Omaha	County	470,847	459,139	9,198	73,184	34,807	2,341	339,609	8 11,708	+3.8	-32.4	
New Jersey:												
Jersey City	City	395,387	394,837	166,169	26,986	24,567	1,139	175,976	550	-1.5	(?)	
Newark	do	1,137,295	1,132,997	451,500	60,780	60,417	2,234	558,066	4,298	+5.4	(?)	
Trenton	do	175,665	171,986	45,860	17,829	12,896	746	94,655	3,679	-7.0	(?)	

See footnotes at end of table.

Table 2.—Amount of public and private assistance and earnings of persons employed on projects operated by the Work Projects Administration, by urban areas, December 1939—Continued

[Corrected to Feb. 20, 1940]

State and city	Area included	Total <sup>1</sup>	Public funds						Private funds <sup>2</sup>	Percentage change in total from—	
			Total	General relief <sup>3</sup>	Old-age assistance	Aid to dependent children <sup>3</sup>	Aid to the blind <sup>3</sup>	WPA earnings <sup>4</sup>		No- vember 1939	De- cember 1938
New York:											
Albany	City	\$114,827	\$111,473	\$46,183	\$16,365	\$4,864	\$833	\$43,228	\$3,354	-6.2	(?)
Buffalo	County	1,350,956	1,331,747	787,668	102,957	69,940	3,668	367,574	19,209	-4.3	-29.3
New Rochelle	City	105,967	104,623	68,010	12,095	10,414	29	14,075	1,344	+4.1	-6.2
New York	do	16,790,911	16,387,876	6,074,661	1,416,708	1,260,658	40,461	7,595,388	* 403,035	+1.6	-31.2
Niagara Falls	do	118,459	114,530	53,931	8,722	7,547	146	44,184	3,929	+24.9	(?)
Rochester	do	746,748	740,121	440,006	118,927	43,519	2,866	134,803	6,627	+2.2	(?)
Syracuse	County	510,803	505,461	257,098	73,214	23,832	1,146	150,171	5,342	-5	-20.8
Utica	City	172,902	166,530	70,332	36,174	13,771	411	48,842	3,372	-11.2	(?)
Yonkers	do	243,000	239,945	111,357	21,432	20,179	420	86,557	3,055	-6.5	-32.7
North Carolina:											
Asheville	County	137,352	137,352	4,885	12,762	4,690	924	114,091		+9.4	-15.8
Charlotte	do	93,802	93,074	5,479	17,693	6,239	525	62,138	728	+1.6	-9.0
Greensboro	do	91,950	91,817	1,713	16,206	6,586	1,368	65,944	10,133	+11.5	-12.9
Winston-Salem	do	122,888	117,841	6,218	14,163	5,642	1,021	90,797	5,047	+1.5	-1.0
Ohio:											
Akron	do	883,324	879,463	109,195	82,225	13,068	1,730	673,255	3,861	+4	-37.2
Canton	do	358,161	358,055	39,670	87,377	12,959	2,028	216,021	106	-8	-41.1
Cincinnati	do	1,075,045	1,057,874	234,611	202,254	30,917	5,314	584,778	17,171	+6.1	-33.5
Cleveland	do	2,895,541	2,847,296	512,664	244,981	106,926	8,310	1,974,415	48,245	+2.2	-51.0
Columbus	do	815,624	811,295	115,315	175,977	15,552	6,094	498,357	4,329	+1.4	-26.7
Dayton	do	528,600	526,818	123,822	126,973	13,097	2,555	260,371	1,881	-2.8	-31.9
Springfield	do	155,723	155,723	7,908	57,044	4,469	1,343	84,959		+6.0	-42.9
Toledo	do	844,754	844,175	67,653	132,542	15,138	4,394	624,448	579	+3.1	-49.5
Youngstown	do	354,615	353,984	51,053	54,247	10,315	3,219	235,150	631	-1.7	-51.5
Oklahoma: Tulsa	do	230,660	222,109	12,481	83,523	16,112	2,631	107,362	8,551	+7.0	-14.6
Oregon: Portland	do	649,879	641,416	101,119	171,670	22,771	5,072	340,784	8,463	+7.5	-15.5
Pennsylvania:											
Allentown	do	182,015	180,132	36,655	19,935	9,220	5,433	108,889	1,883	-20.6	-50.0
Altoona	do	270,372	270,060	54,997	28,905	16,970	6,310	162,878	312	-3.2	-32.8
Bethlehem	do	199,897	199,270	36,280	20,621	11,015	5,664	125,681	627	-25.9	-45.7
Chester	do	234,095	231,346	47,787	30,834	15,394	7,349	129,982	2,749	-22.5	-40.6
Erie	do	298,692	298,617	85,679	45,275	18,658	8,298	140,707	75	-3.6	-39.4
Johnstown	do	338,139	337,836	72,554	35,017	26,864	7,471	193,930	303	-8.3	-44.4
Philadelphia	do	4,032,781	3,976,532	2,116,256	353,549	342,100	72,284	1,092,363	* 56,229	(?)	-19.6
Pittsburgh	do	2,833,937	2,809,085	1,129,498	226,467	170,721	37,828	1,244,574	* 24,852	-3.7	-38.3
Reading	do	341,060	338,911	83,934	35,131	11,151	9,455	199,240	2,149	-1	-31.4
Scranton	do	847,525	844,108	446,282	51,680	38,740	10,875	296,526	3,422	-13.6	-37.8
Wilkes-Barre	do	1,070,766	1,068,594	553,030	55,633	48,129	14,737	397,065	2,172	-2.1	-40.4
Rhode Island: Providence	City	458,137	451,520	144,583	59,038	20,523	439	226,937	6,617	-7.0	(?)
South Carolina: Charleston	County	160,774	159,936	2,650	9,535	4,387	605	142,759	838	+6.2	-21.5
Tennessee:											
Knoxville	do	156,605	155,358	4,241	18,294	15,365	731	116,727	1,247	+2.9	-17.4
Memphis	do	342,019	338,392	5,866	52,714	19,325	3,108	257,370	3,627	-1.8	+10.9
Nashville	do	244,053	241,573	3,221	41,680	16,680	2,353	177,639	2,480	+6.0	+7.9
Texas:											
Dallas	do	282,471	275,027	11,129	61,389	834		201,675	7,444	+9.9	-30.7
El Paso	do	81,395	80,866	125	8,833			71,908	529	+13.6	-14.7
Fort Worth	do	297,675	297,288	17,789	49,108			230,391	387	+0.6	-16.8
Houston	do	306,183	302,057	20,880	53,256			227,921	4,126	+0.8	-8.0
San Antonio	do	337,570	332,758	51,250				281,508	4,812	+0.9	-1.4
Utah: Salt Lake City	do	458,012	455,813	73,750	101,427	34,321	1,529	244,786	11,2,199	+0.7	+9
Virginia:											
Norfolk	City	85,092	84,213	5,860	10,087	2,521	831	64,914	879	+8.1	-7.1
Richmond	do	166,175	159,233	24,812	11,693	2,027	962	119,739	6,942	+6.3	-6.5
Roanoke	do	27,171	27,171	3,245	4,214	816	453	18,443		+18.1	-20.2
Washington:											
Seattle	County	750,402	744,528	147,802	236,706	31,587	8,150	320,193	* 5,874	-1	-36.2
Tacoma	do	391,973	391,973	40,208	101,298	17,580	2,729	230,158		+2.1	-32.8
West Virginia: Huntington	do	134,428	133,424	4,075	9,796	5,121	654	113,778	1,004	-5.8	-43.4
Wisconsin:											
Kenosha	do	179,620	179,198	42,403	25,424	17,942	1,410	92,019	422	+4.6	-37.2
Madison	do	253,539	253,351	42,905	47,285	25,466	963	136,702	188	+4.0	-20.5
Milwaukee	do	1,964,442	1,949,439	571,685	213,982	110,155	9,329	1,044,288	15,003	+3.2	-24.9
Racine	do	180,885	179,202	59,016	28,204	19,601	908	71,473	1,083	+1.8	-31.6

<sup>1</sup> Excludes cost of administration; of materials, equipment, and other items incident to operation of work programs; and of transient care.

<sup>2</sup> Includes direct and work relief and statutory aid to veterans administered on basis of need.

<sup>3</sup> Includes figures for areas in States with plans approved by the Social Security Board and for areas in States not participating under the Social Security Act.

<sup>4</sup> Figures from the WPA, Division of Statistics; represent earnings of persons employed on projects operated by the WPA within these areas and cover all pay-roll periods ended during month. Figures are not available for these

areas for earnings of persons employed on projects other than those operated by the WPA.

<sup>5</sup> Includes estimate.

<sup>6</sup> Comparable data not available because WPA earnings relate to county in December 1938 and to city in December 1939.

<sup>7</sup> Relates to city.

<sup>8</sup> Decrease of less than 0.1 percent.

<sup>9</sup> Estimated.

<sup>10</sup> Incomplete, since figures are not obtainable for 1 relief program.

## General Relief Operations of Public Agencies in Selected Large Cities, January 1940

Reports on general relief operations during January were received from public agencies in 19 cities, including all cities in the United States with populations of more than 400,000 in 1930, and also Rochester, New York.

### Cases Aided and Amount of Relief

In these 19 cities a total of 606,000 cases were aided, with an expenditure for assistance of \$19.6 million. There was an increase of 1 percent in the number of cases and of 4 percent in the amount of assistance in January as compared with December.

Beginning in January the data include for the first time the number of cases receiving hospitalization and/or burial only and total payments from general relief funds for these services. The distribution of total expenditures by type of payment, shown in table 4, indicates that the effect of this inclusion was negligible in every city except Chicago and Newark. Percentage changes for January, therefore, were not computed for these two cities.

The largest increases from December in both cases and obligations for assistance were reported for St. Louis, where, as a result of inclement

weather, some WPA projects were closed from before Christmas until late January and it was necessary for the agency to grant relief to the WPA families which did not receive January work-project earnings. The intake of WPA families was concentrated toward the end of the month, and relief was granted on a 2-week basis, resulting in a decrease in the average amount per case.

The Detroit Department of Public Welfare reported a decrease of 22 percent in the number of cases in January. In December a large number of cases approved for aid to dependent children and aid to the blind were assisted by the general relief agency, pending transfer to the new State Bureau of Social Security. In January these cases received assistance from the Bureau of Social Security although they were still receiving service from the Department of Public Welfare.

Data from which the average amounts of relief per family and per one-person case could be computed are available for 12 cities. These averages do not necessarily reflect the adequacy of relief in the various cities, since many factors affecting their comparability must be taken into consideration. The largest average amount per family case was that for Rochester, \$47.78; the smallest, for St. Louis, \$22.12. Average amounts per one-

Table 3.—Number of cases receiving general relief, amount of relief, and average amount per family and one-person case in selected cities, January 1940

City	Number of cases receiving relief	Amount of relief <sup>1</sup>	Average amount		Percentage change <sup>2</sup> from December 1939 in—	
			Per family case	Per one-person case	Number of cases	Amount of relief
Baltimore	7,394	\$185,457	(*)	(*)	+2.0	+1.9
Boston	16,310	477,697	(*)	(*)	-1.4	+5.2
Buffalo	19,114	728,355	\$43.94	\$20.12	+4.3	+0.9
Chicago	193,771	1,680,950	(*)	(*)	(*)	(*)
Cincinnati	9,504	223,779	24.99	19.01	+17.7	+10.8
Cleveland	21,930	546,011	34.15	15.67	-6.7	+21.3
Detroit	19,752	750,988	(*)	(*)	-22.0	+6.9
District of Columbia <sup>3</sup>	1,987	52,151	31.24	18.94	+12.8	+11.9
Los Angeles <sup>4</sup>	59,778	2,000,064	42.69	17.18	+5.9	+7.0
Milwaukee <sup>5</sup>	22,290	621,863	36.39	11.96	-1.7	+3.8
Minneapolis	14,472	407,734	32.97	20.09	+4.5	+0.1
Newark	18,371	437,697	36.98	23.32	(*)	(*)
New Orleans	7,274	48,487	(*)	(*)	+20.5	+9.6
New York	156,499	6,194,785	46.01	28.28	+2	+2.0
Philadelphia	156,974	2,037,217	(*)	(*)	+3	-3.5
Pittsburgh <sup>6</sup>	41,160	1,121,804	(*)	(*)	-4	-2
Rochester	9,647	399,402	47.78	19.13	+9	(*)
St. Louis	9,443	175,859	22.12	8.83	+49.5	+34.8
San Francisco	18,247	530,242	44.28	20.58	+6.6	+6.9

<sup>1</sup> Excludes cost of administration; of materials, equipment, and other items incident to operation of work programs; and of special programs.

<sup>2</sup> Based on figures which include recipients of hospitalization and/or burial only and payments for these services for January but not for December. Not computed for Chicago and Newark, because inclusion of these items for January has pronounced effect on percentage change.

<sup>3</sup> Not available.

<sup>4</sup> Includes cases receiving aid from special departments.

<sup>5</sup> Accepts only unemployable cases.

<sup>6</sup> Figures relate to entire county in which city is located.

<sup>7</sup> Includes 355 employable cases receiving \$2,728.

<sup>8</sup> Includes duplications, since in some cases relief was granted more than once during month.

<sup>9</sup> Increase of less than 0.1 percent.

Table 4.—*Distribution of amount of general relief by type of payment in selected cities, January 1940*

City	Amount of relief				
	Total	Direct and indirect payments	Medical care	Hospitalization	Burial
Baltimore	\$185,457	\$185,457	-----	-----	\$735
Boston	477,697	476,962	\$2,600	-----	-----
Buffalo	728,355	725,665	-----	-----	-----
Chicago	2,680,950	2,573,824	\$5,838	\$26,492	3,796
Cincinnati	223,779	(1)	(1)	(1)	(1)
Cleveland	546,011	546,011	-----	-----	-----
Detroit	750,988	(1)	(1)	(1)	-----
District of Columbia <sup>1</sup>	52,151	52,151	-----	-----	-----
Los Angeles	2,000,064	1,969,032	30,702	-----	330
Milwaukee <sup>2</sup>	621,565	611,655	9,226	-----	982
Minneapolis	407,734	(1)	(1)	(1)	(1)
Newark	437,097	411,931	-----	24,651	1,115
New Orleans	48,487	48,487	-----	-----	-----
New York	6,194,785	6,067,156	127,629	-----	-----
Philadelphia	2,037,217	1,993,915	42,684	-----	618
Pittsburgh	1,121,804	1,092,609	28,102	-----	1,003
Rochester	399,402	392,436	6,966	-----	-----
St. Louis	175,829	175,620	239	-----	-----
San Francisco	530,242	509,085	21,157	-----	-----

<sup>1</sup> Not available.

<sup>2</sup> Accepts only unemployable cases.

<sup>3</sup> Figures relate to entire county in which city is located.

person case varied from \$28.28 in New York to \$8.83 in St. Louis.

#### General Relief in Addition to Other Types of Income

Table 5 presents available data on the extent to which general relief was granted to cases in households with income from other specified sources. General relief grants supplemented WPA earnings in 20 percent of the cases in Milwaukee and in 16 percent of the cases in Minneapolis. In Newark 23 percent of the cases were in households which also received earnings from regular employment. Aid to dependent children was received in 35 percent of the general relief cases in Baltimore.

#### Case Turn-Over

The number of openings during January exceeded the number of closings in 13 cities. Data on which to base accession and separation rates were available for all cities except Minneapolis. These rates represent the number of cases opened and the number of cases closed as percentages of the average number of cases open at the beginning and end of the month. Accession rates ranged from 5 in Chicago to 45 in St. Louis; separation rates (exclusive of New Orleans, because figures for employable cases are not available) from 6 in Buffalo, Rochester, and St. Louis to 30 in San

Francisco. The largest relative net changes were reported for St. Louis, with an accession rate of 45 and a separation rate of 6; and for Cincinnati, with an accession rate of 25 and a separation rate of 8.

Transferral to old-age assistance led to the closing of a substantial number of cases in Philadelphia and Pittsburgh. Beginning with January the age requirement for old-age assistance in Pennsylvania was lowered from 70 to 65 years.

#### Effect of WPA Employment on Case Load

In all the cities except Cincinnati net decreases occurred in the case loads because closings on receipt of WPA employment exceeded openings on loss of such employment. No accession rate was more than 4, whereas separation rates were 9 in Boston and Detroit and 17 in San Francisco. The largest relative net decrease was that of San Francisco, with an accession rate of 3 and a separation rate of 17.

Loss of WPA employment accounted for between 2 and 38 percent of the openings in all the cities granting relief to employable cases. On the other hand, assignment to WPA employment re-

Table 5.—*General relief cases in households receiving other types of income or assistance in selected cities, January 1940*

City	Number of cases receiving relief	Percent of general relief cases in households receiving <sup>1</sup>				
		Unemployment benefits	Earnings from regular employment	WPA earnings	Old-age assistance	Aid to dependent children
Baltimore	7,394	0.6	0.7	-----	2.2	34.9
Buffalo	19,114	.5	9.0	9.6	2.4	1.2
Chicago	93,771	(1)	(1)	1.1	2.6	.2
Cincinnati	9,504	.9	3.8	1.4	4.5	.1
Cleveland	21,930	.1	4.4	10.4	.4	(1)
Detroit	19,752	.6	5.5	8.7	3.3	3.8
District of Columbia <sup>2</sup>	1,087	(1)	(1)	-----	5.1	.1
Los Angeles <sup>3</sup>	55,972	(1)	(1)	.8	(1)	(1)
Milwaukee <sup>4</sup>	22,299	.7	5.0	20.1	2.5	.2
Minneapolis	14,472	.2	1.2	16.0	5.1	4.2
Newark	13,371	1.1	23.1	3.3	-----	-----
New Orleans <sup>5</sup>	2,369	-----	-----	2.7	1.3	1.0
New York	156,400	.2	5.0	6.2	2.9	1.7
Philadelphia	68,974	.2	(1)	2.0	(1)	(1)
Pittsburgh <sup>6</sup>	41,169	.5	(1)	3.9	(1)	(1)
Rochester	9,647	.6	14.7	8.1	5.0	2.6
San Francisco <sup>7</sup>	15,203	(1)	(1)	.7	(1)	(1)

<sup>1</sup> Figures on number of general relief cases which also received aid to the blind are available for 10 cities. Such cases amount to 0.6 percent of cases receiving relief in the District of Columbia; 0.3 percent in Detroit; 0.2 percent in Cincinnati, New York, and Rochester; and 0.1 percent in Baltimore, Buffalo, Cleveland, Milwaukee, and New Orleans.

<sup>2</sup> Not available.

<sup>3</sup> Less than 0.1 percent.

<sup>4</sup> Accepts only unemployable cases.

<sup>5</sup> Figures relate to entire county in which city is located.

<sup>6</sup> Figures refer to cases open on last day of month.

<sup>7</sup> Figures refer to unemployable cases only. Data not available for employable cases.

Table 6.—Reasons for opening general relief cases in selected cities, January 1940

City	Number of cases opened	Accession rate <sup>1</sup>	Percent opened for specified reason			
			Cessation of unemployment benefits	Loss of regular employment	Loss of WPA employment	All other reasons
Baltimore	1,050	15.6	0.6	41.9	7.0	50.5
Boston	2,080	14.7	(*)	63.9	12.4	23.7
Buffalo	1,505	8.7	2.4	55.9	11.3	30.4
Chicago	5,237	5.4	8.2	24.7	38.1	29.0
Cincinnati	2,417	24.8	1.1	17.1	12.2	69.6
Cleveland	1,699	7.1	2.5	29.9	24.4	43.2
Detroit	3,880	17.5	4.9	30.2	22.9	42.0
District of Columbia <sup>4</sup>	531	25.3				100.0
Los Angeles <sup>5</sup>	10,195	18.9	(*)	(*)	17.2	(*)
Milwaukee <sup>6</sup>	4,336	22.9	1.0	26.1	16.2	56.7
Minneapolis	1,834	(*)	2.0	47.3	12.7	38.0
Newark	1,688	13.7	1.6	40.5	11.0	46.9
New Orleans <sup>7</sup>	473	22.1				100.0
New York	12,140	8.3	3.5	31.5	29.3	35.7
Philadelphia	5,568	8.7	4.9	44.8	19.5	30.8
Pittsburgh <sup>8</sup>	4,062	10.9	4.9	39.7	34.6	20.8
Rochester	779	8.1	1.9	54.2	11.9	32.0
St. Louis	3,484	44.7		1.0	1.9	97.1
San Francisco	4,022	25.9	3.4	(*)	12.2	(*)

<sup>1</sup> Cases opened as a percent of average number of cases open at beginning and end of month.

<sup>2</sup> Less than 0.1 percent.

<sup>3</sup> Includes cases opened because of insufficient earnings.

<sup>4</sup> Accepts only unemployable cases.

<sup>5</sup> Figures relate to entire county in which city is located.

<sup>6</sup> Not available.

<sup>7</sup> Figures refer to unemployable cases only. Data not available for employable cases.

sulted in the closing of more than half of all cases closed in Boston, Chicago, Cleveland, Detroit, New York, and San Francisco, and for more than 20 percent of the closings in all cities.

### Effect of Regular Employment on Case Load

In all the agencies accepting employable cases except in St. Louis, more cases were opened on loss of regular employment than were closed on obtaining employment. The resulting increases were relatively small except in Baltimore, with an accession rate of 7 and a separation rate of 1, and in Boston, with an accession rate of 9 and a separation rate of 3.

More than half the openings in Boston, Buffalo, and Rochester were attributed to loss of regular employment. In a majority of the other cities this reason accounted for at least 30 percent of all openings. In Buffalo 35 percent and in Rochester 34 percent of the cases closed were closed because of regular employment, but in the other cities less than 20 percent were closed for this reason.

### Effect of Unemployment Benefits on Case Load

Minor net changes in the case loads of all cities were effected by the cessation or receipt of unemployment benefits. In Chicago 8 percent of the openings resulted from cessation of benefits, and in the other cities 5 percent or less were opened for this reason. Receipt of benefits accounted for less than 5 percent of the closings in every city.

Table 7.—Reasons for closing general relief cases in selected cities, January 1940

City	Number of cases closed	Separation rate <sup>1</sup>	Percent closed for specified reason						
			Transferral to—			Relief no longer needed			All other reasons
			WPA	Special types of public assistance	Other relief status	Unemployment benefits received	Regular employment obtained	Increased earnings or income	
Baltimore	787	11.7	37.3	6.9		1.3	5.1	2.4	47.0
Boston	2,192	15.5	60.5	5.2	4.2	1.5	18.6	(*)	(*)
Buffalo	1,082	5.9	28.9	2.7	3.2	2.9	35.2	14.1	13.0
Chicago	6,739	7.0	63.6	2.7	.1	.9	12.6	3.9	16.2
Cincinnati	734	7.5	25.2	1.1	16.3	1.9	16.6	4.4	34.5
Cleveland	3,067	12.8	60.2	3.9	2.1	1.0	13.4	.1	22.3
Detroit	3,103	14.0	60.5	3.4	.4	1.7	16.3	2.6	15.1
District of Columbia <sup>4</sup>	340	16.2	34.7	7.4	.9	1.2	7.6	3.8	44.4
Los Angeles <sup>5</sup>	5,907	11.0	40.4	4.3	1.3	4.0	18.6	1.9	29.5
Milwaukee <sup>6</sup>	3,083	16.3	24.4	1.7	1.2	1.4	11.5	1.9	57.9
Minneapolis	1,206	(*)	36.2	3.0	(*)	3.6	14.4	4.9	(*)
Newark	1,553	12.6	37.6	(*)	(*)	2.6	12.3	(*)	(*)
New Orleans <sup>7</sup>	52	2.4	32.7	15.4		1.5	1.9		50.0
New York	11,856	8.1	62.4	3.8	2.2	1.5	12.0	8.1	10.0
Philadelphia	7,470	11.7	20.5	37.7	(*)	2.0	17.8	5.9	(*)
Pittsburgh <sup>8</sup>	5,406	14.5	33.6	30.2	(*)	1.6	16.6	6.4	(*)
Rochester	613	6.4	32.6	4.6	1.8	2.8	33.8	16.3	8.1
St. Louis	460	5.9	41.3	18.5	1.5	.9	7.8	3.3	26.7
San Francisco	4,667	30.1	56.2	1.5	3.1	3.0	16.0	.5	19.7

<sup>1</sup> Cases closed as a percent of average number of cases open at beginning and end of month.

<sup>2</sup> Includes cases transferred to the NYA and CCC.

<sup>3</sup> Not available.

<sup>4</sup> Accepts only unemployable cases.

<sup>5</sup> Figures relate to entire county in which city is located.

<sup>6</sup> Figures refer to unemployable cases only. Data not available for employable cases.

# OLD-AGE AND SURVIVORS INSURANCE

BUREAU OF OLD-AGE AND SURVIVORS INSURANCE · ANALYSIS DIVISION

## PROBABLE TRENDS OF CLAIMS FOR OLD-AGE AND SURVIVORS INSURANCE DURING 1940

The amended old-age and survivors insurance provisions of the Social Security Act<sup>1</sup> provide for four broad classes of insurance payments:

1. Monthly payments to an insured worker in his old age.
2. Monthly payments to the aged wife and young children of a retired insured worker.
3. Monthly payments to certain classes of survivors of the deceased insured worker.
4. Lump-sum payments to the survivors of a deceased insured worker when no immediate monthly benefits are payable.

In addition to claims for payments of these types there will, for some months, be claims for lump-sum payments under the original act with respect to deaths which occurred prior to January 1, 1940. Since these payments will be relatively unimportant, except for the first few months of 1940, they are omitted from the discussion.

In analyzing the probable trend of claims which will be made in 1940 under each of the main types of payment, it has been necessary to make certain assumptions concerning factors for which no reliable data are yet available. Future information is likely to result in a revaluation of these factors, and therefore a discussion of probable trends during even so immediate a period as the next 10 or 12 months must not be considered an exact prediction.

### ***Monthly Payments to an Insured Worker in His Old Age***

Primary insurance benefits are payable to every person who (1) has attained age 65, (2) is a fully insured individual, and (3) has filed an application for such benefits. Deductions may be made for any months in which the worker receives \$15 or more from covered employment, resulting in an

<sup>1</sup> For an explanation of the provisions for old-age and survivors benefits under the amended act, and for definitions of terms, see the *Bulletin*, December 1939, pp. 3-16.

effective suspension of benefit payments for such months.

The number of persons who will meet the first two of these conditions in 1940 can be estimated from the wage data within a reasonable range of accuracy. The third requirement to be met—the filing of application for benefit payments—will usually be affected by the decision of the worker to withdraw immediately, and presumably permanently, from covered employment. His willingness to retire and live on his benefit payments plus whatever income he may derive from sources other than covered employment or from wages of less than \$15 a month in covered employment will depend on a number of factors, whose effect it is difficult to predict. It has been necessary, therefore, to make certain tentative estimates as to what proportion of persons who will be eligible for benefit payments by having met the age and insured-status conditions will retire, i. e., will in effect leave covered employment and file application for benefit payments. These estimates have been governed by a number of considerations but particularly the following:

- (1) The proportion of eligible persons who retire will increase with increasing age.
- (2) An eligible worker with a wife 65 or over who could become entitled to wife's insurance benefits upon her husband's entitlement to primary insurance benefits is more likely to retire than an eligible worker with a wife too young to become entitled to wife's insurance benefits. This consideration is of course related closely to the one just mentioned, since older men will generally have older wives.
- (3) Eligible persons whose employment prior to eligibility has been irregular will retire in greater proportion than those whose employment has been regular, as the latter group will generally have a better prospect for future employment.

The persons who will be eligible to receive primary insurance benefits in 1940 may be said to fall within the three following groups:

(1) Those who will attain age 65 *during 1940* and who will have acquired at least six (or for those who attain age 65 during the second half of 1940, at least seven) quarters of coverage by the end of 1940.

(2) Those who attained age 65 *during the years 1937, 1938, or 1939* and who will have acquired at least six quarters of coverage by the end of 1940.

(3) Those who attained age 65 *prior to 1937* and who, in order to acquire the necessary six quarters of coverage by some time in 1940, must have had at least two quarters of coverage by the end of 1939. (Wages paid for employment after age 65 in 1937 and 1938 may not be credited toward benefits.)

The three groups are listed in order of increasing probable size. The first is composed of workers who reach age 65 during 1 calendar year; the second, those attaining age 65 during 3 years; and the third, all those attaining age 65 prior to 1937 and still in covered employment in 1939 and 1940. The third group will probably be at least as large as the sum of the first two.

The trend in the volume of claims during 1940 will be influenced by the varying characteristics of these three groups, in terms of the time at which they become eligible for benefits during the year and the probability of their retirement. Persons in the first group will become eligible at a comparatively uniform rate throughout the year, though the number becoming eligible will increase slightly from month to month, since some individuals will not attain fully insured status for some months after they reach age 65. Because persons in the group will be under age 66 at the time of eligibility and therefore less ready to retire than those who are older, the rate of retirement will be relatively low for the group as a whole; of those who become eligible each month, a small percentage will retire in the month in which they become eligible and in each succeeding month. As there will be new persons becoming eligible each month, the cumulative result will be a rapid increase in the number of monthly claims arising from this group. This increase will be more pronounced in the later months, when persons becom-

ing eligible will include a greater proportion whose employment has been less regular.

The majority of the second group will be eligible at the beginning of 1940, since they will all have attained age 65 and the greater part of them will already have acquired at least six quarters of coverage. The rate of retirement for this group will be somewhat higher than that of the first group, because the members will be somewhat older. Nevertheless, only a moderate percentage will retire each month, particularly among those who are eligible at the beginning of the year. The cumulative increase per month in the number who retire will be less marked than in the first group, since most of the members will be eligible at the beginning of the year; on the other hand, those members of the group who do not become eligible until later in the year will include a greater proportion of persons whose employment was less regular and who will be more apt to retire.

Since none of the third group will have had more than four quarters of coverage at the beginning of 1940 they cannot become eligible until the second quarter of the year. The members of this group will be definitely older than those in the other two groups, and, beginning about May, the proportion who retire may be expected to be substantial. As there will be many in the group whose employment has been irregular, there will be new persons becoming eligible throughout the latter part of the year, and their retirement will be at an even higher rate. Hence, among this group there will probably be an increasing number of monthly claims for several months.

For the three groups as a whole, there may be anticipated a small and fairly constant monthly number of claims for primary insurance benefits during the early months of 1940; these claims will come largely from the second group but partly from the first. The number will increase significantly about May, because of an influx of claims from the third group and an increasing number from the first, and will continue to increase throughout the year, probably without a break.

#### ***Monthly Payments to the Aged Wife and Young Children of the Retired Worker***

Payments under this heading comprise wife's insurance benefits, payable to the wife of the recipient of primary insurance benefits if she has reached age 65, and child's insurance bene-

fits, payable to the recipient's unmarried children under age 18. Only the first of these two types of payment is of importance, since the proportion of men over 65 with children under 18 is small and the corresponding proportion of women, even smaller.

It is expected that at least 10 percent of the recipients of primary insurance benefits in 1940 will be women. Of the men receiving benefit payments, it is probable, on the basis of census figures, that less than 75 percent will be married, approximately 15 percent will be widowers, and the remainder will be either single or divorced. Consequently, only about two-thirds of the primary beneficiaries will have wives, and the wives in many cases may be expected to be under 65, since women are in general younger than their husbands.

It is to be expected that relatively few of the wives of primary beneficiaries in the first group—those who attain age 65 during 1940—will have reached age 65 at the time their husbands retire. A larger proportion of wives of primary beneficiaries of the second group—those who attained age 65 in 1937, 1938, or 1939—will be 65 years old when their husbands retire, while for the third group—those who attained age 65 before 1937—probably about half of the wives will have reached age 65.

It is therefore probable that in the early months of 1940 the ratio of claims for wife's insurance benefits to claims for primary insurance benefits will not be more than one to five but that this ratio will rise to about one to three in the later months of 1940, particularly after claims from the third group have become numerous. The fact that some wives will apply after their husbands have already been entitled to benefits for some time will help to increase the ratio in the later months.

As already observed, the proportion of primary beneficiaries with children under 18 is very small, probably less than 5 percent. The resulting small number of claims for child's insurance benefits will be distributed roughly in proportion to the number of claims for primary insurance benefits.

#### ***Monthly Payments to Survivors of Deceased Insured Workers***

Four classes of survivors may become entitled to monthly benefit payments with respect to the

wages of a deceased insured worker. The four classes are as follows:

(1) Widows, aged 65 or over, whose benefit payments are known as widow's insurance benefits.

(2) Widows, regardless of age, who have in their care one or more unmarried children under 18 of the deceased insured worker; benefit payments to these widows are known as widow's current insurance benefits.

(3) Unmarried children under 18, whose benefit payments are known as child's insurance benefits.

(4) Parents, aged 65 or over, in cases in which the deceased worker is not survived by a widow or by unmarried children under 18 and in which the parent has been wholly dependent on the deceased worker; benefit payments to those parents are known as parent's insurance benefits.

The first and fourth classes of survivors will be eligible for benefits only if the worker was fully insured at death, whereas the second and third classes of survivors may be eligible for benefits if the worker was either fully or currently insured.<sup>2</sup> During 1940 there will be few workers who die currently, but not fully, insured.

It is estimated that there will be nearly a quarter of a million deaths among insured workers during 1940 and that by the end of the year claims for either monthly benefits or for lump-sum payments will be certified with respect to about 80 percent of these deaths. The number of deaths of insured workers will be about the same in each month of the year, although it will be affected to some extent by seasonal variation in the death rate and by a slight probable increase during the year in the number of insured workers.

It is expected, however, that some weeks or even months may elapse between the date of death and the filing of survivors' claims and that in developing many of the claims there will be delay in obtaining proofs of age, marriage, dependency, and the like. The resulting time lag will undoubtedly be reduced as greater familiarity with the benefit provisions among the general public results in more prompt filing of claims and as administrative procedures in the Board are perfected. For the present, however, it is expected that less than 50 percent of the deaths of insured wage earners

<sup>2</sup> *Ibid.*

will occasion claims filed within a month of the worker's death; some may not be filed for many months, if ever. Additional time will elapse before a determination can be made of the claimants' rights to benefit payments. For this reason, the first few months of 1940 will not show a full month's load of certified claims. By about April or May, however, the delayed certifications with respect to deaths of prior months will offset the unreported and pending claims of the current month, and the number of claims certified monthly will reach a comparatively even level. Obviously, the total number of claims certified by the end of the year will similarly be less than the number of deaths of insured wage earners occurring in the year.

It is expected that roughly a third of the deaths for which claims are certified in 1940 will give rise to claims for widow's current and/or child's insurance benefits. When claims are filed for these benefits, there will be, on the average, more than three claimants arising from the death of each insured worker with respect to whose wages benefits are payable. This conclusion is based on the assumption that there will be a widow and an average of somewhat more than two children in these cases. Occasionally children only will be entitled to benefit payments. In no case will widow's current insurance benefits be payable without child's insurance benefits, since to qualify for the former a widow must have in her care a child who is entitled to benefits.

The number of claims in the first and fourth classes, i. e., widow's insurance benefits and parent's insurance benefits, will both be small in 1940. Widows over 65 will in general have had husbands a few years older; moreover, no men over 68 (i. e., who reached age 65 before 1937) can be fully insured until the second quarter of 1940. Claims for widow's insurance benefits in 1940 will be made for the most part by women who had already been receiving wife's insurance benefits or by wives whose husbands were eligible for primary insurance benefits but had not yet applied. Ultimately, of course, a large proportion of claimants for widow's insurance benefits will be women who had already been widowed for a number of years, whose husbands had died before attaining age 65, and who were themselves under 65 and therefore not yet entitled to monthly benefits at the time of their husbands' death.

While the number of claims for widow's insurance benefits will increase for some years to come, it is not expected that claims for parent's insurance benefits will ever be numerous. The majority of the fully insured wage earners dying in any year will probably be survived by widows (including widows not eligible for immediate monthly benefits) or by unmarried children under age 18 or by both; and even among those without such survivors the number leaving wholly dependent parents will be comparatively small.

The monthly numbers of claims for widow's current, child's, and parent's insurance benefits will be fairly uniform after the first three or four months of 1940. The trend of claims for widow's insurance benefits, on the other hand, will show an increase throughout the year, since the number of wives over 65 will be related to the number of fully insured husbands, who will be in general a few years older; as has been seen, this group of fully insured individuals will grow rapidly in the later months of the year. By the end of the year the monthly number of claims for these benefits will still be relatively small, though it probably will have overtaken and passed the monthly number of claims for parent's insurance benefits.

#### ***Lump-Sum Payments to Survivors of Deceased Insured Workers***

It has already been stated that of the deaths resulting in survivors' claims in 1940 roughly a third would give rise to claims for widow's current and child's insurance benefits, and a comparatively small number would result in claims for widow's and for parent's insurance benefits. The remainder of these deaths, probably somewhat more than half the total, will give rise to lump-sum death payments, which are provided in cases where there is no surviving wife, child, or parent who is entitled to monthly benefit payments for the month in which the death occurred. These lump-sum payments in 1940 will in some cases be followed by future monthly benefits to widows and dependent parents when these survivors reach age 65.

Awards of lump-sum payments will be made at a practically uniform rate during 1940, except for the early months when they will be affected by much the same time lags in filing and adjudication as will affect claims for widow's current, child's, and parent's insurance benefits.

## CURRENT OPERATIONS IN OLD-AGE AND SURVIVORS INSURANCE

January was the first month for which monthly benefits were payable under the 1939 amendments of the Social Security Act relating to old-age and survivors insurance, and first claims under these provisions were adjudicated and certified to the Secretary of the Treasury for payment at the end of the month. Claims for these monthly benefits will not be representative of the program during the initial months, both because of administrative factors and because persons who reached age 65 prior to 1937 will not have sufficient quarters of coverage to qualify for benefits until after April 1940. Current reports of these operations therefore will not be included in the Bulletin until more significant data have been developed.

### Claims for Lump-Sum Death Payments

In addition to claims received under the 1939 act, there were 10,037 claims for lump-sum death payments under the 1935 act with respect to the death of workers prior to January 1, 1940. This number was the largest received in any month since May 1939. A total of 8,943 claims representing \$913,267 was certified in January (table 1). The average payment of \$102.12 in January showed a gain over the average of \$96.93 in December.

### Employee Accounts Established in Baltimore

In January, for the third successive month, there was a decline in the number of new employee accounts established; they totaled 440,720 as compared with 477,932 in December (table 2). The net total of all accounts established by the end of January amounted to 48.2 million. Investigation of the cases in which more than one account number is held by the same individual resulted in 17,487 accounts reported as voided or canceled during the month.

### Wage Records

Wage items received for the third quarter of 1939, as of January 27, 1940, reached a total of 31.4 million and exceeded the number received for the second quarter by 1.7 million. This increase resulted partly from the receipt, for the first time, of reports of earnings for employees over 65 years

Table 1.—*Claims for lump-sum death payments: Number received in Washington, and number and amount certified by the Social Security Board to the Secretary of the Treasury, under the 1935 Social Security Act, by regions and States, January 1940*<sup>1</sup>

Region <sup>2</sup> and State	Number of claims		Amount certified	
	Received	Certified	Total	Average
Cumulative through January 1940	285,744	272,105	\$16,633,344	\$61.13
Total, January 1940	10,037	8,943	913,267	102.12
Region I:				
Connecticut	197	165	18,963	114.74
Maine	62	48	3,508	73.09
Massachusetts	405	441	47,456	107.61
New Hampshire	49	39	4,239	108.68
Rhode Island	65	63	5,940	94.29
Vermont	28	23	1,569	68.24
Region II:				
New York	1,232	1,006	127,400	126.64
Region III:				
Delaware	26	23	3,241	140.91
New Jersey	390	348	48,706	125.59
Pennsylvania	982	819	89,862	109.72
Region IV:				
District of Columbia	46	30	2,812	98.74
Maryland	152	127	12,559	98.80
North Carolina	234	190	12,088	63.62
Virginia	198	165	12,581	76.25
West Virginia	114	109	11,374	104.35
Region V:				
Kentucky	144	141	10,544	74.78
Michigan	431	383	44,719	110.76
Ohio	592	533	61,641	115.65
Region VI:				
Illinois	735	628	75,237	110.80
Indiana	233	217	20,140	92.81
Wisconsin	186	176	18,846	107.08
Region VII:				
Alabama	168	160	11,323	70.77
Florida	143	136	9,180	67.50
Georgia	200	210	12,558	50.80
Mississippi	83	70	2,618	37.39
South Carolina	134	126	6,947	55.14
Tennessee	190	165	11,869	71.94
Region VIII:				
Iowa	141	128	11,280	88.20
Minnesota	166	130	15,618	120.14
Nebraska	47	45	3,518	78.18
North Dakota	19	16	1,250	75.13
South Dakota	27	17	1,525	89.68
Region IX:				
Arkansas	104	101	5,578	55.23
Kansas	50	68	6,064	89.17
Missouri	248	214	21,558	100.74
Oklahoma	99	81	7,609	93.94
Region X:				
Louisiana	152	178	12,327	69.25
New Mexico	22	25	2,445	97.78
Texas	388	371	29,891	80.57
Region XI:				
Arizona	27	18	1,710	94.97
Colorado	71	66	7,687	116.47
Idaho	33	25	2,657	106.29
Montana	56	51	5,200	103.72
Utah	39	40	3,647	91.18
Wyoming	7	6	660	109.94
Region XII:				
California	618	561	64,466	114.91
Nevada	12	10	1,284	128.37
Oregon	106	105	9,702	92.40
Washington	138	118	12,600	107.29
Territories:				
Alaska	11	1	10	9.49
Hawaii	16	16	1,279	79.96
Foreign <sup>3</sup>	12	11	653	59.34

<sup>1</sup> These claims relate to deaths occurring before January 1, 1940, and are for lump-sum payments amounting to 3½ percent of total taxable wages. Lump-sum payments at age 65 were discontinued as of Aug. 10, 1939, by amendment of that date to the Social Security Act.

<sup>2</sup> Social Security Board administrative regions.

<sup>3</sup> Claims received from persons in foreign countries.

of age and from the rise in employment which occurred in September. The conversion into punch cards of the wage items received for the first and second quarters of 1939 was completed during January. Of the wage items received to date for the third quarter, 82.8 percent have been punched and 19.6 million or 62.4 percent have been collated. Posting will probably begin well in advance of last year's date, since under the new operating schedule the cards are collated almost as rapidly as they are received and processed.

With increasing public interest in the old-age and survivors insurance program, requests for

statements of 1938 recorded earnings rose sharply during January. A total of 60,694 requests was received in January, in contrast to 36,790 in December; a grand total of 182,406 has been received since July 20, 1939, the earliest date that the 1938 statements were available. During January 68,049 statements were forwarded to wage earners in response to requests, bringing the net cumulative total to 176,799. Wage records furnished for claims adjudication purposes in January reflected the sharp increase in claims received and amounted to 32,447 as compared with 19,543 in the preceding month.

**Table 2.—Employee accounts established in Baltimore, by regions and States in which account numbers were issued, January 1940<sup>1</sup>**

Region <sup>2</sup> and State	Employee accounts established			Region <sup>2</sup> and State	Employee accounts established			
	January		Cumulative through January <sup>3</sup>		January		Cumulative through January <sup>3</sup>	
	Total	Net <sup>2</sup>			Total	Net <sup>2</sup>		
<b>Total.....</b>	<b>458,207</b>	<b>440,720</b>	<b>48,175,277</b>	<b>Region VIII:</b>				
<b>Region I:</b>				Iowa.....	8,040	7,783	634,239	
Connecticut.....	4,735	4,574	748,487	Minnesota.....	6,216	5,873	819,740	
Maine.....	2,594	2,436	320,598	Nebraska.....	3,401	3,219	344,230	
Massachusetts.....	18,716	18,090	1,878,130	North Dakota.....	1,662	1,601	122,930	
New Hampshire.....	1,418	1,359	202,902	South Dakota.....	1,585	1,519	135,450	
Rhode Island.....	2,519	2,458	332,966					
Vermont.....	1,047	999	113,948	<b>Region IX:</b>				
<b>Region II:</b>				Arkansas.....	9,425	9,198	410,953	
New York.....	49,213	47,304	6,363,892	Kansas.....	4,777	4,617	301,264	
<b>Region III:</b>				Missouri.....	11,442	11,075	1,334,234	
Delaware.....	1,144	1,110	110,424	Oklahoma.....	7,817	7,604	679,958	
New Jersey.....	14,022	13,759	1,750,822					
Pennsylvania.....	20,884	20,829	3,939,100	<b>Region X:</b>				
<b>Region IV:</b>				Louisiana.....	8,057	7,585	712,649	
District of Columbia.....	2,568	2,430	306,903	New Mexico.....	3,303	3,159	138,394	
Maryland.....	7,315	7,023	681,596	Texas.....	21,065	20,084	2,073,616	
North Carolina.....	12,542	12,034	1,018,508					
Virginia.....	11,851	11,520	787,866	<b>Region XI:</b>				
West Virginia.....	9,532	9,341	626,185	Arizona.....	2,490	2,296	179,022	
<b>Region V:</b>				Colorado.....	4,322	4,027	388,363	
Kentucky.....	10,000	9,684	770,893	Idaho.....	1,746	1,623	169,462	
Michigan.....	13,709	13,268	2,144,439	Montana.....	1,889	1,760	189,445	
Ohio.....	17,449	16,691	2,790,902	Utah.....	1,664	1,548	183,606	
<b>Region VI:</b>				Wyoming.....	1,003	934	79,207	
Illinois.....	23,493	22,229	3,327,757					
Indiana.....	8,614	8,260	1,259,034	<b>Region XII:</b>				
Wisconsin.....	7,978	7,674	964,018	California.....	34,421	33,518	3,103,192	
<b>Region VII:</b>				Nevada.....	405	388	47,412	
Alabama.....	13,873	13,572	742,332	Oregon.....	3,285	3,094	413,172	
Florida.....	11,394	11,061	738,037	Washington.....	5,974	5,296	670,890	
Georgia.....	11,871	11,368	934,497					
Mississippi.....	6,102	5,813	430,734	<b>Territories:</b>				
South Carolina.....	6,635	6,304	542,384	Alaska.....	225	218	24,347	
Tennessee.....	12,676	12,429	826,619	Hawaii.....	1,160	1,082	161,630	

<sup>1</sup> Neither the monthly nor the cumulative total of accounts established should be taken as a measure of the number of persons engaged in employment covered by title II, since account numbers are issued to some persons who are not in such employment.

<sup>2</sup> Social Security Board administrative regions.

<sup>3</sup> Represents total less cancellations and voids plus reinstatements.

## OPERATIONS UNDER THE RAILROAD RETIREMENT ACT\*

Benefit-payment certifications by the Railroad Retirement Board to the Secretary of the Treasury in the month of January totaled \$9.5 million. This was slightly higher than the highest previous month, October 1939, and continued the high level of payments maintained in recent months. The total certified in the first 7 months of the current fiscal year was \$65.3 million, which was \$4.0 million or 6.6 percent more than was certified in the same months of the preceding fiscal year.

These amounts are the total certifications for employee, survivor, and death-benefit annuities, pensions to former carrier pensioners, and lump-sum death benefits. Retroactive payments on newly certified, recertified, or reinstated claims are included, while a relatively small number of payments made in previous months and canceled during the month are deducted.

The total amount of payments authorized by the Board since the inception of the retirement system by the end of January was \$259.8 million. Of this total, \$174.8 million or 67.3 percent were payments on employee annuities, \$79.1 million or 30.5 percent were payments made to pensioners, and \$5.8 million or 2.2 percent were payments on the three classes of survivor benefits.

The increase in total payments in January over December resulted principally from the larger amount of lump-sum death payments in January. These payments have varied considerably from month to month. Total payments on account of employee annuities were lower in January, reflect-

ing a smaller volume of new certifications and retroactive payments on account of new certifications and recertifications. The volume of retroactive payments, as well as the proportion of such payments to all benefit payments, has in general been decreasing. Such payments constitute about 9 percent of the total in the current fiscal year, as compared with 14 percent in the fiscal year 1938-39 and 23 percent in 1937-38.

### Changes in Annuities and Pensions in Force

Table 4 shows that at the end of January there were 139,395 annuities and pensions in force, with a monthly amount payable of \$8.8 million. Compared with the end of December there were 587 more claims in force and the monthly amount payable was \$42,124 higher. These are net increases resulting mainly from the increase in the number of employee annuitants which is in part offset by deaths among the pensioners. This net increase was the smallest since the 1937 act was passed and continues the general downward trend of the monthly increase in number and amount of annuities and pensions in force. The smaller number of claims awaiting certification at present and the decreased volume of applications received account for this tendency.

New certifications of employee annuities in January amounted to 1,681, with monthly payments amounting to \$105,209. To the end of January 1940, 113,997 employee annuities had been certified, of which 14,166 had been terminated by death. During the current fiscal year the ratio of new certifications to terminations by

\*Prepared by the Bureau of Research and Information Service, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

Table 3.—*Railroad retirement: Benefit payments certified to the Secretary of the Treasury, by class of payment, by fiscal years 1936-40, and December 1939 and January 1940*<sup>1</sup>

Fiscal year and month	Total payments <sup>2</sup>	Employee annuities	Survivor annuities	Death-benefit annuities	Lump-sum death benefits	Permanent pensions
Cumulative through January 1940.	\$259,751,738	\$174,789,600	\$1,698,232	\$1,702,224	\$2,428,255	\$79,133,336
Fiscal year:						
1936-37	4,604,232	4,487,496	47,490	69,245		
1937-38	82,994,286	47,281,533	381,237	625,106	38,554	34,667,453
1938-39	106,841,632	75,158,195	758,748	703,221	1,336,307	28,886,158
July 1939-January 1940	65,311,587	47,962,464	510,755	304,650	1,053,993	15,579,723
December 1939	9,462,919	7,054,238	73,764	37,833	119,299	2,177,782
January 1940	9,502,063	7,030,875	75,114	33,000	211,767	2,151,305

<sup>1</sup> Figures are total amounts (cents omitted) certified to the Secretary of the Treasury for payment, including retroactive payments, minus cancellations reported during period. For definitions of types of payments and for earlier monthly figures see the *Bulletin*, July 1939, pp. 7-8, and January 1940, p. 95.

<sup>2</sup> Total benefit payments on basis of vouchers certified to the Secretary of the Treasury are \$8.8 million more than total on basis of checks drawn by disbursing officer as shown on p. 89, table 4. Amounts are certified to the

Secretary of the Treasury and encumbered on books of the Railroad Retirement Board in latter part of month, but checks are not drawn by disbursing officer until first of following month.

<sup>3</sup> Includes payments of \$1,183,541 made to temporary pensioners for 3 months before Oct. 1, 1937. These were carrier pensioners who on July 1, 1937, were eligible for employee annuities and could be paid temporary pensions only until their annuities were awarded but not later than Oct. 1, 1937.

death was almost 3½ to 1. After adjustments for suspensions, returns to service, recertifications, reinstatements of annuities previously suspended, and the settlement of several small annuities by commuted lump-sum payments, 99,514 annuities remained in force as of January 31, 1940.

Changes in the number of applications for employee annuities reflect current retirements more directly than do changes in the number of certified employee annuities. During January the Railroad Retirement Board received 2,160 applications for employee annuities, which brought to 14,501 the receipts for the first 7 months of the current fiscal year. The average per month has declined from 2,370 in the fiscal year 1938-39 to 2,072 in this fiscal year to date.

Like employee annuities, survivor annuities also contributed to the increase in annuities and pen-

sions in force but to a much lesser extent. The number of survivor annuities in force has increased steadily and reached 2,107 at the end of January.

As of January 31 there were 685 death-benefit annuities in force, of which 141 were paid to individuals who were also receiving survivor annuities. These annuities awarded under the 1935 act will ultimately disappear, since they are payable for 12 months only and the number of employee annuities in force under the 1935 act is decreasing.

During the month ended January 20, 1,041 lump-sum death benefits were certified for payment with an average payment of \$156.93, in contrast to 747 with an average payment of \$151.67 in December and 15,359 with an average payment of \$86.08 during the preceding fiscal year.

**Table 4.—Railroad retirement: Number of annuities and pensions in force and monthly amount payable at end of December 1939 and January 1940, and number of certifications and terminations in January 1940<sup>1</sup>**

Period	Total		Employee annuities <sup>2</sup>		Survivor annuities		Death-benefit annuities <sup>3</sup>		Permanent pensions	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of Dec. 31, 1939	138,808	\$8,740,110	98,539	\$6,453,596	2,064	\$69,449	691	\$24,161	37,514	\$2,192,903
During January 1940: <sup>4</sup>										
New certifications	1,814	109,588	1,681	105,200	46	1,319	86	3,009	1	50
Terminations <sup>5</sup>	1,205	71,002	687	44,846	3	105	92	3,382	423	22,667
Net adjustments <sup>6</sup>	-22	+3,536	-19	+3,755	-	-26	-	+2	-3	-194
In force as of Jan. 31, 1940	139,395	8,782,234	99,514	6,517,715	2,107	70,636	685	23,790	37,099	2,170,091
Cumulative certifications through Jan. 31, 1940	169,030	10,032,379	113,997	6,988,644	2,185	72,846	4,094	149,598	48,754	2,821,290

<sup>1</sup> Figures based on month in which annuity was first certified or terminated upon notice of death, or in which other administrative action was taken by the Board rather than on month in which annuity began to accrue, beneficiary died, or administrative action was effective. Correction for a claim that had been certified or terminated in error or for an incorrect amount is made in figures for month in which error was discovered and not in figures for month in which error was made. To this extent, number and amount shown for given month may differ slightly from actual monthly administrative action. For monthly figures for previous fiscal years see the *Bulletin*, July 1939, p. 10, table 4; p. 13, table 5; p. 15, table 7; October 1939, p. 30, table 2; p. 32, table 4; and corresponding tables and text in subsequent issues of the *Bulletin*.

<sup>2</sup> Excludes 12 temporary annuities to former carrier pensioners aggregating \$444 on Dec. 30, 1939, and 11 annuities, \$406, on Jan. 31, 1940. For definitions of the types and bases of certification of employee annuities, see the *Bulletin*, July 1939, pp. 15-19.

<sup>3</sup> In a few cases payments are made to more than 1 survivor on account of the death of a single individual. Such payments are here counted as single items.

<sup>4</sup> Certifications are added, terminations are subtracted, and adjustments are added or subtracted as indicated.

<sup>5</sup> Terminations of employee and survivor annuities and pensions by death and of death-benefit annuities by death or by expiration of 12-month period for which such annuities are payable.

<sup>6</sup> Restatements of suspended payments are added, while terminations for reasons other than death (suspensions and, for employee annuities only, returns to service and commuted lump-sum payments) are subtracted. Recertifications ordinarily result in additions to amount payable but do not affect number of cases certified. For this reason, amount of adjustment bears no relation to net number of cases reported as adjusted.

# FINANCIAL AND ECONOMIC DATA

BUREAU OF RESEARCH AND STATISTICS

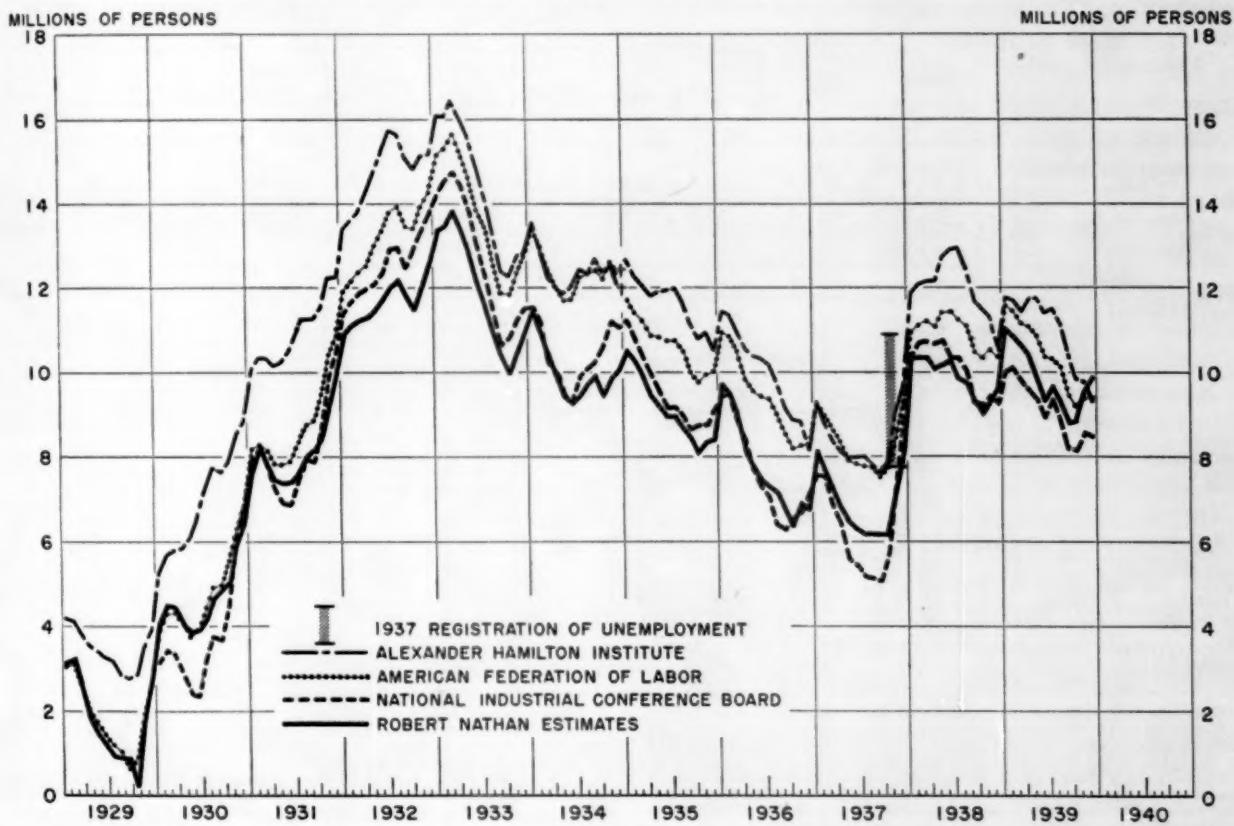
DIVISION OF OLD-AGE BENEFITS RESEARCH

THE SOCIAL INSURANCE program under the Social Security Act swung into full operation when regular payments of old-age and survivors insurance benefits were made for the month of January. The amendments of 1939, which made provision for the payment of old-age and survivors benefits, also caused certain changes in the fiscal operations under the act, such as the transfer of the assets of the old-age reserve account to the old-age and survivors insurance trust fund and the maintenance of the 1-percent pay-roll tax rate until 1943. The amendments did not, however, necessitate any marked changes in administrative procedure. Pay-roll taxes under the old-age and survivors insurance program followed the previous quarterly patterns; January 1940 collections of \$31.1 million were \$2.3 million above January 1939 receipts, as a result of increased employment and pay rolls during the last

quarter of 1939. The bulk of Federal collections under the unemployment insurance program is received in February and reflects the 1939 rise in industrial activity.

Employment and pay rolls, on which the social security contributions are based, continued to rise through December, when the Bureau of Labor Statistics unadjusted index of factory employment rose to 104.1, and its unadjusted index of factory pay rolls reached 103.6. In January the indexes fell off slightly to 101.6 and 98.1, respectively. The four estimates of unemployment, presented in chart I, show conflicting tendencies for December. The rise in the Nathan estimate is, in large measure, explained by the weight given to agricultural unemployment. The American Federation of Labor estimate shows a slight rise; the Alexander Hamilton and National Industrial Conference Board estimates declined.

Chart I.—Estimates of unemployment, January 1929—December 1939



† Revised January 1935 to date.

## Unemployment Trust Fund

Table 1 shows the status of the unemployment trust fund, including the accounts of the State agencies and the railroad unemployment insurance account. As of January 31, 1940, total assets of the fund amounted to \$1,546.0 million, an increase as compared with \$1,089.6 million at the end of January 1939.

January deposits by States, based for the most part on pay rolls for the last quarter of 1939, totaled \$62.1 million, the largest amount recorded to date for the first month of a quarter. State withdrawals amounted to \$41.5 million. The excess of receipts including interest over withdrawals resulted in a net addition to State accounts of \$37.7 million for January. Of the January balance credited to the fund, \$28.0 million was invested in unemployment trust fund certificates of indebtedness, and the cash balance totaled \$9.0

million. At the end of 1939 the cash balance was \$15.8 million and on October 31 it was \$43.9 million, the highest amount held in this balance to date. The \$15 million advanced by the Treasury to the railroad unemployment insurance account in July 1939 was repaid in January, leaving a balance at the end of the month of \$8.3 million. The highest monthly amount withdrawn from this account for the payment of benefits was the January withdrawal of \$1.7 million.

The initial period of rapid increase in unemployment reserves during 1937 was succeeded by a period of slower growth as the States began benefit payments. After July 1939, when all States were paying benefits, it was anticipated that the accumulations might level off. However, the high rate of employment during the latter half of 1939, and the consequent absence of pressure on unemployment funds, offset this expected tendency.

Table 1.—Status of the unemployment trust fund,<sup>1</sup> by fiscal years, 1937-39, and by months, January 1939-January 1940

[In thousands]

Fiscal year and month <sup>2</sup>	Total assets (at end of period)	Certificates of indebtedness acquired <sup>3</sup>	Unexpended balance (at end of period)	State accounts				Railroad unemployment insurance account			
				Deposits	Interest received	Withdrawals	Balance (at end of period)	Transfers from State accounts	Deposits	Benefit payments	Balance (at end of period)
Cumulative through January 1940.....	\$1,545,997	\$1,537,000	\$8,997	\$2,352,919	\$62,208	\$877,460	\$1,537,668	\$783	\$14,494	\$6,946	\$8,331
Total, 1936-37.....	312,389	293,386	94	291,703	2,737	1,000	312,389	.....	.....	.....	.....
Total, 1937-38.....	884,247	559,705	12,247	747,660	15,172	190,975	884,247	.....	.....	.....	.....
Total, 1938-39.....	1,280,539	395,000	13,539	811,251	26,837	441,795	1,280,539	.....	.....	.....	.....
7 months ending: January 1938.....	653,453	336,470	4,688	370,472	5,867	35,275	653,453	.....	.....	.....	.....
January 1939.....	1,069,563	202,000	15,563	440,943	11,991	247,618	1,069,563	.....	.....	.....	.....
January 1940.....	1,545,997	270,000	8,997	483,447	17,371	243,690	1,537,668	\$783	\$14,494	\$6,946	\$8,331
1939											
January.....	1,080,563	10,000	15,563	38,740	11,858	33,318	1,080,563	.....	.....	.....	.....
February.....	1,201,885	111,000	16,885	148,330	0	36,008	1,201,885	.....	.....	.....	.....
March.....	1,192,019	0	7,019	33,964	74	43,905	1,192,019	.....	.....	.....	.....
April.....	1,184,600	-13,000	12,600	33,523	88	41,030	1,184,600	.....	.....	.....	.....
May.....	1,280,600	108,000	9,600	137,081	0	32,081	1,280,600	.....	.....	.....	.....
June.....	1,280,539	-13,000	13,539	17,409	14,683	41,153	1,280,539	.....	.....	.....	.....
July.....	1,296,804	-14,000	43,804	42,648	15	41,581	1,281,620	\$253	60	\$15,184	.....
August.....	1,410,448	129,000	28,448	154,173	0	39,754	1,396,030	\$91	865	14,410	.....
September.....	1,283,531	-19,000	20,531	12,748	104	38,497	1,370,393	0	1,271	13,139	.....
October.....	1,413,866	7,000	43,866	54,027	35	22,859	1,401,596	\$255	1,124	12,270	.....
November.....	1,528,227	142,000	16,227	143,224	0	28,607	1,516,213	0	622	877	12,015
December.....	1,524,784	-3,000	15,784	14,537	114	30,899	1,499,965	0	13,851	1,046	24,820
1940											
January.....	1,545,997	28,000	8,997	62,092	17,103	41,492	1,537,668	\$184	21	1,694	\$8,331

<sup>1</sup> Beginning July 1939, the unemployment trust fund contains a separate book account for the railroad unemployment insurance account in which are held moneys deposited by the Railroad Retirement Board and from which the Secretary of the Treasury makes unemployment benefit payments as certified by the Railroad Retirement Board. The trust fund continues as heretofore the separate accounts for each State agency in which are held all moneys deposited from State unemployment funds and from which State agencies withdraw amounts as required for benefit payments.

<sup>2</sup> Minus figures represent sale of certificates.

<sup>3</sup> These amounts were certified by the Social Security Board to the Secretary of the Treasury, on behalf of the State of Connecticut for payment into the railroad unemployment insurance account in accordance with sec. 13 of the Railroad Unemployment Insurance Act.

<sup>4</sup> \$15 million was advanced by the Treasury to railroad unemployment insurance account in July 1939, pursuant to sec. 10 (d) of the Railroad Unemployment Insurance Act, and was repaid during January 1940.

Source: Daily Statement of the U. S. Treasury.

In the period during which the Social Security Act has been in operation, a technique has been developed for handling the Federal-State financial transactions under titles III and IX of the act in such way as to minimize monetary and credit effects of shifting funds among geographic areas and political jurisdictions.

The various steps in the typical procedure of handling the unemployment compensation funds are outlined below. State administrative expenses, collections under the Federal Unemployment Tax Act, and operations in connection with the Federal railroad unemployment insurance account are omitted from this discussion. The first five items listed below refer to the flow of unem-

Table 2.—*Date of first deposit in and first withdrawal from Federal unemployment trust fund, by States*

State	Date of first deposit in Federal unemployment trust fund	Date of first withdrawal from Federal unemployment trust fund <sup>1</sup>
Alabama	October 1936	January 1938
Alaska	January 1938	January 1939
Arizona	March 1937	January 1938
Arkansas	July 1937	January 1939
California	December 1936	January 1938
Colorado	February 1937	January 1939
Connecticut	March 1937	January 1938
Delaware	December 1937	January 1939
District of Columbia	May 1936	January 1938
Florida	November 1937	January 1939
Georgia	September 1937	January 1939
Hawaii	December 1937	January 1939
Idaho	February 1937	September 1938
Illinois	January 1938	July 1939
Indiana	June 1936	April 1938
Iowa	May 1937	July 1938
Kansas	August 1937	January 1939
Kentucky	April 1937	January 1939
Louisiana	February 1937	January 1938
Maine	March 1937	January 1938
Maryland	March 1937	January 1938
Massachusetts	November 1936	January 1938
Michigan	March 1937	July 1938
Minnesota	March 1937	January 1938
Mississippi	August 1936	April 1938
Missouri	January 1938	January 1939
Montana	September 1937	July 1939
Nebraska	November 1937	January 1939
Nevada	August 1937	January 1939
New Hampshire	January 1937	January 1938
New Jersey	March 1937	January 1939
New Mexico	February 1937	December 1938
New York	June 1936	January 1938
North Carolina	February 1937	January 1938
North Dakota	August 1937	January 1939
Ohio	February 1937	January 1939
Oklahoma	January 1937	December 1938
Oregon	July 1936	January 1938
Pennsylvania	January 1937	January 1938
Rhode Island	December 1936	January 1938
South Carolina	January 1937	July 1938
South Dakota	February 1937	January 1939
Tennessee	March 1937	January 1938
Texas	January 1937	January 1938
Utah	January 1937	January 1938
Vermont	February 1937	January 1938
Virginia	March 1937	January 1938
Washington	July 1937	January 1939
West Virginia	February 1937	January 1938
Wisconsin	January 1936	July 1936
Wyoming	August 1937	January 1939

<sup>1</sup> Represents also date when benefits were first payable.

ployment compensation funds from the collection of State contributions to the payment by the States of unemployment benefits. The last four items relate to Federal financial operations which are interrelated with the State operations. These operations may occur simultaneously.

1. Collection of contributions under the State unemployment compensation law.
2. Transfer of collections to the State clearing account.
3. Deposit of funds from the State clearing account to the State account in the Federal unemployment trust fund.
4. State withdrawals from the unemployment trust fund.
5. Deposit of State withdrawals in the State benefit-payment account.
6. Investments of the unemployment trust fund.
7. Transfer of funds to the Treasury.
8. Sales, redemptions, and refunding of trust fund investments.
9. Interest on State deposits in the trust fund.

*State contributions.*—Collection of contributions under the State unemployment compensation laws is the first step of the procedure. These contributions are handled differently from other State tax receipts inasmuch as they are usually paid by subject employers to the State unemployment compensation agency, rather than to the State revenue agent. Moreover, the funds are earmarked for unemployment benefits. Since unemployment tax provisions vary from State to State, collections reflect differences in State laws as well as changes in employment and covered pay rolls. The cumulative total of contributions collected by States was \$2,422 million as of January 31.

*State clearing accounts.*—Contributions paid to the unemployment agency are transferred to the State clearing account. These State accounts are mainly administrative devices to direct the flow of funds from the States to the Federal unemployment trust fund. Receipts of the clearing account include penalties and interest on delinquent collections as well as contributions. Payments made by checks are cleared through the banks while credited to the clearing account. Tax refunds are made from the clearing account. It is current practice to keep on hand sufficient funds to make adjustments. In accordance with the 1939 amendments, all contributions collected by the State, including contributions erroneously

paid and excluding certain refunded contributions, are transferred from the State clearing account to the credit of the State account in the unemployment trust fund. Since deposits in the trust fund are usually made in round sums, an amount remains in the clearing accounts.

**Deposits.**—Section 904 of the Social Security Act authorizes and directs the Secretary of the Treasury to receive and hold all moneys deposited by a State agency from a State unemployment fund. Deposits may be made directly with the Secretary of the Treasury or with any Federal reserve bank or member bank of the Federal Reserve System designated by him for such purpose. These deposits are received by the Treasurer of the United States and credited to the separate State accounts in the Federal unemployment trust fund on the books maintained by the Office of the Commissioner of Accounts and Deposits of the Treasury Department. On January 31, 1936, Wisconsin made the first deposit in the Federal trust fund. By the end of 1936 nine States and the District of Columbia were making deposits, and by January 1938 all States were making such deposits. The month and year in which each State made its first deposit in the fund is shown in table 2.

Deposits usually are made at least once each month but may be made more frequently. New York, for example, since June 1938 has deposited money in the fund on almost every working day. On the other hand, Arizona and Nevada have never made more than three deposits in any 1 month. Most States deposit amounts in round hundreds of thousands, while some, influenced probably by the fact that accounts draw interest on the basis of the average daily balance of each State, deposit all funds that are available, resulting in deposits in odd dollars and cents. The largest amount of deposits occurs, generally, in the second month of each quarter. In most States the contributions are payable on a quarterly basis and are due 30 days after the end of each quarter.

In addition to the original deposit by States in the trust fund there are credited to State accounts redeposits of funds withdrawn in excess of unemployment benefit payments. Moreover, the Second Deficiency Appropriation Act, approved June 25, 1938, provided for refunds to certain States of 90 percent of Federal unemployment taxes for 1936 paid on or before January 31, 1938, by employers in those States which had no ap-

proved unemployment compensation law on December 31, 1936. Since 15 jurisdictions did not have approved unemployment compensation laws before that date, refunds totaling \$40.6 million were appropriated for credit to the accounts of these jurisdictions.

**Withdrawals.**—The Secretary of the Treasury maintains an uninvested portion of the trust fund to meet State requisitions for withdrawals for benefit payments. If requests for withdrawals exceed the amount of cash in the trust account some of the securities held by the fund must be liquidated to make cash available. As of the end of January 1940 the cash balance<sup>1</sup> amounted to \$5.9 million. Since January 1939 the cash balance at the end of each month has varied from \$5 million to \$32 million.

If employers in a State are to continue to receive credit against the Federal unemployment tax these requisitions must be for benefit payments only and must not exceed the amount standing to the account of the State agency at the time of payment.<sup>2</sup> The first withdrawal from the fund was made by Wisconsin on July 17, 1936; 22 other States began withdrawals in January 1938; by July 1939 all States were making withdrawals. As of January 31, 1940, a total of \$877.5 million had been withdrawn by the States for benefit payments.

Withdrawals for benefit payments have always been in rounded thousands of dollars. They vary of course from State to State in amount and frequency although, in general, States make only one or two withdrawals each month. More frequent withdrawals may be made, however, as in the case of Ohio, for example, which in January 1940 sent in requisitions for withdrawals on 16 different days.

**Benefit-payment accounts.**—State withdrawals from the trust fund are deposited in the State benefit-payment accounts of the State unemployment funds, from which benefit payments are made to unemployed persons. The total amount of funds available for benefit payments, however, represents the aggregate of amounts in clearing accounts, balances to the State accounts in the unemployment trust fund, and the funds in the

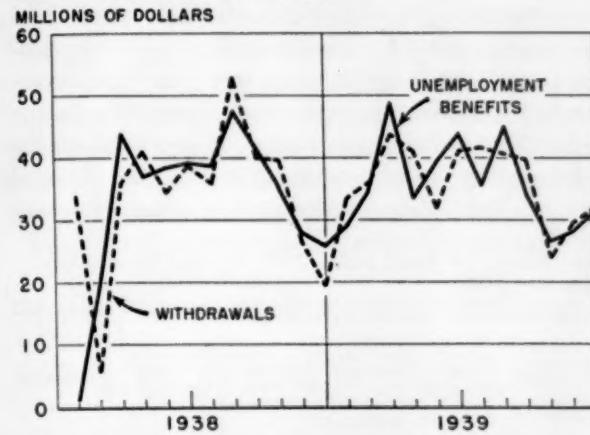
<sup>1</sup> Figures on Federal operations are based on Daily Statement of the U. S. Treasury.

<sup>2</sup> Connecticut has withdrawn certain funds for administrative purposes in accordance with sec. 13 (e) of the Railroad Unemployment Insurance Act. See the *Bulletin*, November 1939, p. 72.

State benefit-payment accounts. The total sum available for benefit payments as of the end of January was \$1.6 billion.

The close monthly relationship of benefit payments from the benefit accounts and State withdrawals from the trust fund is indicated in chart II. An increase in withdrawals is in most cases associated with an increase in unemployment benefits in the same month. The directness of this relation indicates that administrative procedures have been developed so that requisitions of funds are adjusted to demands on States for benefit payments.

**Chart II.—Withdrawals from the Federal unemployment trust fund and unemployment benefits charged, January 1938-December 1939**



Source: Daily Statement of the U. S. Treasury (withdrawals); Social Security Board, Bureau of Employment Security (benefits charged).

The payment of interest on funds deposited in the State accounts in the trust fund is a strong inducement for States to make withdrawals from the trust fund only as needed for benefit payments. Moreover, the amount withdrawn in any period is directly affected by the cash balances remaining in the benefit accounts from operations in the preceding period.

*Trust fund investments.*—Amounts in the trust fund not required to meet current withdrawals are invested by the Secretary of the Treasury as a single fund in eligible securities. Through January 1940 all investments were in the form of special obligations issued exclusively to the trust fund, designated as unemployment trust fund certificates. Other eligible securities are interest-bearing obligations of the United States and obligations guaranteed as to interest and principal by the United States. These obligations may be

purchased on the open market at the market price or on issue at par. The rate of interest on any securities acquired must be equal to the average rate of interest on the public debt outstanding at the end of the calendar month next preceding the date of issue. If the average rate, however, is not a multiple of  $\frac{1}{4}$  of 1 percent, the rate on obligations acquired may be that multiple of  $\frac{1}{4}$  of 1 percent next lower than the average rate.

The decision to invest the fund in special certificates was not only based on consideration of the stability of the Government bond market and savings in administrative costs by issuing special obligations but was also necessitated by declining market yields of direct Government and Government-guaranteed obligations which legally barred them as eligible securities. Since the beginning of operations under the unemployment trust fund, the computed average rate of interest on the public debt has been within  $\frac{1}{4}$  of 1 percent of 2.5. Although certain of the series of Government obligations during this period were selling on the open market at a price which would have yielded this rate, in December 1939 and January 1940 no series of Government or Government-guaranteed obligations were selling at a price yielding 2.5 to call date.

On a call-date basis, no securities traded on the open market were available for trust fund investments, in contrast with the \$40.1 billion of securities which would be eligible if there were no restrictions on the yield. This figure includes \$26.9 billion Treasury bonds, \$6.2 billion Treasury notes, \$1.3 billion Treasury bills, and \$5.7 billion obligations guaranteed as to interest and principal by the United States. It does not include special issues to Government agencies and trust funds, Postal Savings bonds, Adjusted Service bonds, United States Savings bonds, and Federal Housing Administration debentures, because of particular conditions attached to their issuance or acquisition. Some of the obligations included in the total eligible securities are not available for investment by the fund because they are held as required reserves, or because they are held by various Government agencies and trust funds or accounts other than the social security funds.

Investments are made periodically as amounts are deposited in the State accounts. Because of the quarterly pattern of collecting and depositing State contributions, the volume and number of

investments are usually largest in the second month of each quarter. In November 1939, the second month of the quarter, 13 different investments were made in contrast with one investment each in December 1939 and January 1940.

*Transfer of funds to Treasury.*—Purchase of direct Government securities at issue by the trust fund makes available to the general fund of the Treasury the money so invested. These amounts may be used by the Treasury to finance its expenditures just as Treasury borrowings from private individuals and corporations are used. The flow of funds is similar to that of the old-age and survivors insurance trust fund, and the effects are comparable. At a time of budget deficit the direct obligations acquired at issue by the trust fund are used to finance part of the difference between Federal Government expenditures and receipts and to reduce the amount of borrowing from other sources. The total amount of the public debt is not affected directly, however, by this process, although its composition may be changed.

The acquisition by the trust fund of outstanding direct Government obligations transfers funds to the former holders of these securities. The total amount of privately held Government debt may or may not be reduced depending on Treasury needs for new funds.

If obligations guaranteed as to principal and interest by the United States Government are acquired by the fund either at issue or on the market the amount of these issues held by others may be reduced. The acquisition of such investments does not affect the total amount or the holdings of the public debt.

Investment procedures for the unemployment trust fund are similar to those for the old-age and survivors trust fund. The main difference between the two is that the contributions collected for unemployment compensation are State collections and the benefits paid are State disbursements. Neither of these operations affects the Federal budget in any way. In the case of the old-age and survivors trust fund the Federal budget—both Federal receipts and expenditures—

Table 3.—*Status of the old-age and survivors insurance trust fund,<sup>1</sup> by fiscal years, 1937-39, and by months, January 1939-January 1940*

Fiscal year and month	Transfers from appropriations <sup>2</sup> to trust fund	Interest received by trust fund	3-percent special Treasury notes acquired	Deposits with disbursing officer for benefit payments	Collections of improper payments <sup>3</sup>	Benefit payments	Cash with disbursing officer at end of period	Amounts available for benefit payments <sup>4</sup>	Unexpended balance in appropriations <sup>5</sup>	Total assets
Cumulative through January 1940.....	\$1,423,000,000	\$44,625,099	\$1,435,200,000	\$32,361,811	\$5,621	\$25,938,707	\$6,417,481	\$1,441,617,481	\$282,068,911	\$1,723,686,392
Total, 1936-37.....	265,000,000	2,261,811	267,100,000	100,000	.....	26,960	73,621	267,173,031	61,811	267,234,842
Total, 1937-38.....	387,000,000	15,412,233	395,200,000	7,261,811	159	5,404,063	1,930,620	664,230,620	113,012,391	777,243,012
Total, 1938-39.....	503,000,000	26,951,055	514,900,000	15,000,000	2,677	13,891,583	3,036,361	1,180,236,361	66,122	1,180,302,483
7 months ending: January 1938.....	290,000,000	.....	287,000,000	3,061,811	.....	1,570,511	1,564,330	555,664,330	210,000,000	765,664,330
January 1939.....	242,000,000	.....	232,000,000	10,000,000	1,711	6,754,908	5,174,002	809,474,002	231,014,102	1,130,488,104
January 1940.....	268,000,000	.....	258,000,000	10,000,000	2,789	6,616,091	6,417,481	1,441,617,481	282,068,911	1,723,686,392
1939										
January.....	37,000,000	.....	32,000,000	5,000,000	247	1,121,312	5,174,002	899,474,002	231,014,102	1,130,488,104
February.....	50,000,000	.....	50,000,000	0	81	1,155,340	4,018,582	948,318,582	181,014,182	1,129,332,764
March.....	50,000,000	.....	50,000,000	0	90	1,443,529	2,574,963	996,874,963	131,014,272	1,127,889,235
April.....	55,000,000	.....	50,000,000	5,000,000	204	1,382,953	6,191,806	1,030,401,806	76,014,476	1,120,506,283
May.....	60,000,000	.....	50,000,000	0	266	1,677,193	4,514,348	1,098,814,347	56,014,742	1,154,829,089
June.....	56,000,000	26,951,055	52,900,000	0	325	1,477,661	3,036,361	1,180,236,361	66,122	1,180,302,483
July.....	43,000,000	.....	43,000,000	0	416	1,426,846	1,609,100	1,221,809,101	507,066,537	1,728,875,038
August.....	48,000,000	.....	43,000,000	5,000,000	104	1,284,241	5,324,755	1,268,524,755	459,066,641	1,727,591,395
September.....	43,000,000	.....	43,000,000	0	115	694,071	4,630,569	1,310,830,569	416,066,757	1,726,897,326
October.....	43,000,000	.....	43,000,000	0	462	861,614	3,768,493	1,352,968,493	373,067,219	1,726,035,712
November.....	43,000,000	.....	43,000,000	0	614	836,881	2,930,997	1,395,130,997	330,067,833	1,725,198,830
December.....	48,000,000	.....	43,000,000	5,000,000	385	801,541	7,129,072	1,442,329,072	282,068,218	1,724,397,200
1940										
January.....	.....	.....	.....	0	693	710,808	6,417,481	1,441,617,481	282,068,911	1,723,686,392

<sup>1</sup> Represents transactions formerly under old-age reserve account.

<sup>2</sup> For fiscal year 1936-37, \$265 million was appropriated; for 1937-38, \$500 million; for 1938-39, \$360 million plus additional \$30 million made available by 1940 Treasury Department Appropriation Act; and for 1939-40, \$350 million.

<sup>3</sup> Collections of improper payments made to claimants have been transferred to appropriation balance.

<sup>4</sup> Represents investments in Treasury notes and cash with disbursing officer.

<sup>5</sup> \$61,811 of interest earned during the first 6 months of 1937 was held as an appropriation balance until July 1937, at which time it was transferred to disbursing officer.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

is influenced by financial operations of the old-age insurance program.

*Redemption and refunding of obligations held by the trust fund.*—Obligations acquired by the trust fund may be sold at the market price or, if the investments are in a special series, they may be redeemed at par plus accrued interest. Redemption of special obligations is necessary whenever requisitions for withdrawals exceed the amount of uninvested funds held by the trust fund, including funds available through new deposits.

Redemptions result in the first instance in a decrease in the public debt and a corresponding decline in the Treasury's general-fund balance. The maximum monthly amount of these redemptions has been so small relative to total Treasury transactions that they probably have not influenced Treasury financing. If they become larger and are not counterbalanced by an excess of Federal receipts over expenditures, however, redemptions may require the sale of Government securities to other investors in amounts approximately equivalent to the issues redeemed.

In contrast to redemptions, refunding operations

for the trust fund do not result in any new borrowing but rather effect only changes in the securities held by the trust fund. Special obligations acquired by the fund carry a maturity date of June 30 of the year in which they are issued. The maximum maturity of the certificates, with the exception of certificates acquired as the result of investments of interest at the end of the year, is one year; the minimum, less than a month. Interest credited to the fund in June carries a maturity date of June 30 of the next fiscal year.

These maturity dates necessitate the refunding of obligations held by the trust fund at the end of each fiscal year. Rates on new obligations acquired may thus be adjusted to any changes in the average rate of interest on the public debt, although, as indicated above, no such change has occurred to date.

*Interest.*—Interest on investments held by the trust fund is credited quarterly and, if not needed to finance withdrawals, is reinvested and becomes part of the earnings reserve.

At the end of each quarter, the earnings from the investments held by the fund are distributed

Table 4.—Status of the railroad retirement account as of Dec. 31, 1938, and by months, January 1939—January 1940<sup>1</sup>

Year and month	Appropriation balance on first of month <sup>2</sup>	Transfers from appropriation to trust fund	Cancellations and repayments <sup>3</sup>	Interest received by trust fund	3-percent special Treasury notes acquired <sup>4</sup>	Deposits with disbursing officer for benefit payments	Benefit payments issued by disbursing officer <sup>5</sup>	Cash with disbursing officer at end of month	Balance in trust fund at end of month	
Cumulative through December 1938	\$30,843,692	\$229,303,720	\$97,725	\$1,410,821	\$75,700,000	\$164,900,000	\$131,952,840	\$27,553,215	\$210,391	
1939										
January	30,843,692	1,500,000	1,124	—	1,500,000	—	8,750,817	18,802,307	211,516	
February	29,343,692	—	411	—	—	—	9,043,924	9,758,472	211,928	
March	29,343,692	18,000,000	1,735	—	—	18,000,000	9,109,816	18,648,655	213,663	
April	11,343,692	—	14,642	—	—	213,663	9,172,486	9,689,832	14,642	
May	11,343,692	93,692	2,100	266,301	—10,000,000	10,359,993	9,097,189	11,952,636	16,743	
June	11,250,000	(8)	8,260	1,935,575	—	—	9,029,007	1,923,629	1,955,579	
July	131,400,000	21,900,000	1,743	—	1,900,000	20,000,000	9,059,584	12,864,044	1,957,322	
August	109,500,000	18,100,000	1,465	—	8,100,000	10,000,000	9,017,619	13,846,424	1,958,788	
September	91,400,000	7,150,000	2,845	—	—	9,109,987	9,192,396	13,764,016	1,646	
October	84,250,000	10,000,000	1,861	—	—	10,000,000	9,395,427	14,368,588	3,508	
November	74,250,000	10,000,000	704	—	—	—	10,000,000	9,362,573	15,006,014	4,212
December	64,250,000	10,000,000	1,109	—	—	—	10,000,000	9,345,335	15,060,679	5,323
1940										
January	54,250,000	10,000,000	1,604	—	—	—	10,000,000	9,407,615	16,253,063	6,926
Cumulative through January 1940	44,250,000	336,047,412	132,335	3,612,698	77,200,000	272,583,644	250,936,636	16,253,063	6,926	

<sup>1</sup> The railroad retirement account was created by the Railroad Retirement Act of 1937. An act approved July 1, 1937, appropriated to the account the unexpired balance of the \$46,620,000 which had been appropriated for the year 1936-37 for the payment of benefits under the 1935 act, and provided that all benefit payments made from that appropriation prior to July 1, 1937, be considered as having been made from the railroad retirement account. For this reason the cumulative figures for cancellations and repayments, deposits with the disbursing officer for benefit payments, and benefit payments issued by the disbursing officer include operations under the 1935 act. (Cents omitted from all figures in this table.) For monthly figures July 1936-December 1938, and for an explanation of the derivation of balance items, see the *Bulletin*, July 1939, p. 6, table 2.

<sup>2</sup> Balance as of July 1, 1939, includes appropriation of \$120,150,000 for 1939-40.

<sup>3</sup> Includes checks canceled by the General Accounting Office and repayments on account of improper payments to claimants. Checks returned to disbursing officer and canceled by him are not included. (See footnote 5.) Cancellations and repayments are treated as additions to trust fund.

<sup>4</sup> Minus item represents sale of notes.

<sup>5</sup> On basis of checks issued by disbursing officer less checks canceled by disbursing officer, total benefit payments through January 1940 are \$8.8 million less than total on basis of vouchers certified to the Secretary of the Treasury for payment, as shown on p. 81, table 3, since checks drawn by disbursing officer as of first of a month are certified to the Secretary of the Treasury and encumbered on books of the Railroad Retirement Board in latter part of preceding month.

<sup>6</sup> Transfer of \$3,720 balance from 1935 act appropriation shown on Daily Statement of the U. S. Treasury in June was taken account of in prior fiscal year of 1937-38 on books of the Railroad Retirement Board.

Source: Railroad Retirement Board, Bureau of General Control, Division of Finance.

on the books of the Treasury to each State account and to the railroad unemployment insurance account. This distribution is on the basis of the average daily balance for the quarter in each separate account. For example, for the quarter ended December 31, 1939, the average daily balance was \$1,465,580,716.89 for the whole fund; that for Alabama was \$11,074,122.75. The total earnings to be distributed for that quarter were \$9,062,228.29 of which Alabama's share was \$68,475.40, or 0.7556133 percent of all the earnings.

### Old-Age and Survivors Insurance Trust Fund

On January 1, 1940, the assets of the newly created old-age and survivors insurance trust fund amounted to \$1,724.4 million, the total assets of the former old-age reserve account. In accordance with a decision of the Board of Trustees to make quarterly transfers from the general fund to the account, no transfers were made during January.

The decline in total benefit payments to \$711,000 or 11.3 percent less than December payments continued to reflect the changes in the amended provisions for lump-sum payments. These payments represent entirely lump sums, payable under the 1935 provisions of the act to the estates of covered workers who died prior to 1940, since the first check for payment of benefits under the amended provisions was not issued until February 1.

### Railroad Retirement Account

During January \$10 million was transferred from appropriations to the trust fund and in turn deposited with the disbursing officer for benefit payments (table 4). Since interest is ordinarily added only at the end of the fiscal year, this figure represents the total receipts of the account, except for a small amount of cancelations and repayments. Benefit payments issued by the disbursing officer amounted to \$9.4 million in January, leaving \$16.3 million in cash held by the disbursing officer at the end of the month. At the end of January total assets of the railroad retirement account, excluding the balance in the appropriation, amounted to \$93.5 million. The assets consisted of \$77.2 million invested in Treasury notes and a cash balance of \$6,926 in the trust fund, in

addition to the \$16.3 million held by the disbursing officer. The appropriation balance was \$44.3 million at the end of the month, \$87.2 million

Table 5.—*Federal appropriations and expenditures under the Social Security Act for the fiscal years 1938-39 and 1939-40 (expenditures through January)<sup>1</sup>*

[In thousands]

Item	Fiscal year 1938-39		Fiscal year 1939-40	
	Appropriations <sup>2</sup>	Expenditures through January <sup>3</sup>	Appropriations <sup>2</sup>	Expenditures through January <sup>1</sup>
Total, administrative expenses and grants to States.....	\$ 364,855	\$205,821	\$383,844	\$226,991
Administrative expenses.....	22,705	12,382	25,188	12,010
Federal Security Agency, Social Security Board: Salaries, expenses, and wage records.....	22,300	12,160	24,750	11,793
Department of Labor, Children's Bureau: Salaries and expenses.....	325	182	338	181
Department of Commerce, Bureau of the Census: Salaries and expenses.....	80	39	100	36
Grants to States.....	342,150	193,439	358,655	214,981
Federal Security Agency.....			349,000	208,994
Social Security Board.....	326,000	182,032	339,500	202,709
Old-age assistance.....	214,000	125,489	225,000	137,169
Aid to dependent children.....	45,000	17,977	45,000	24,391
Aid to the blind.....	8,000	3,150	8,000	3,732
Unemployment compensation administration.....	* 50,000	* 35,408	61,500	* 37,416
Public Health Service: Public-health work.....	8,000	5,614	9,500	6,285
Department of Labor, Children's Bureau.....	8,150	5,793	9,655	5,988
Maternal and child-health services.....	3,800	2,472	4,800	2,844
Services for crippled children.....	2,850	2,227	3,350	2,116
Child-welfare services.....	1,500	1,094	1,505	1,028
Transfers to old-age and survivors insurance trust fund <sup>4</sup> .....	* 390,000	242,000	* 550,000	268,000

<sup>1</sup> Excludes some funds appropriated and expended under the Social Security Act because they are not separated from other Federal funds for similar purposes. Such is the case with funds for vocational rehabilitation for which \$104,650 was appropriated in 1938-39 and \$111,500 in 1939-40 for administration in the Office of Education, and \$1.8 million in 1938-39 and \$1,938,000 in 1939-40 for grants to States. For administration and research in the U. S. Public Health Service, appropriations were \$1.6 million in 1938-39 and \$1,640,000 in 1939-40 in addition to grants to States shown in this table.

<sup>2</sup> Excludes unexpended balance of appropriations for previous fiscal year.

<sup>3</sup> Based on checks cashed and returned to the U. S. Treasury. Includes expenditures from reappropriated balance of appropriations for previous fiscal year.

<sup>4</sup> Includes additional appropriations made available by the Third Deficiency Appropriation Act, approved Aug. 9, 1939.

<sup>5</sup> Includes additional appropriations of \$9 million approved Mar. 15, 1939, and \$10 million approved May 2, 1939.

<sup>6</sup> Includes grants certified by the Social Security Board to States for employment service administration to meet requirements of unemployment compensation program.

<sup>7</sup> See table 3 for detailed statement of this account through January 1940.

Represents transactions formerly under old-age reserve account.

<sup>8</sup> The 1940 Treasury Department Appropriation Act, approved May 6, 1939, appropriated \$380 million for transfer to the old-age reserve account of which \$30 million was made available during 1938-39, leaving \$50 million for transfers during 1939-40.

Source: U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits (appropriations); Daily Statement of the U. S. Treasury (expenditures).

having been transferred from the appropriation to the trust fund during the current fiscal year.

### Appropriations and Expenditures

Several amendments affecting grants to States, which became effective in January, were a factor in bringing an increase in the grants certified for the first quarter. Grants to States for aid to de-

pendent children were higher than for any previous quarter, reflecting the increase in Federal participation. The Federal Government now contributes half instead of one-third of the total amount expended under approved plans, not including amounts by which individual payments exceed \$18 a month for one dependent child and \$12 for each additional child aided in the same home.

Table 6.—Federal grants to States for public assistance: Advances authorized and certified<sup>1</sup> by the Social Security Board to the Secretary of the Treasury for the first, second, and third quarters of the fiscal year 1939-40, as of Feb. 29, 1940

[In thousands]

State	Advances certified for first quarter of fiscal year 1939-40			Advances certified for second quarter of fiscal year 1939-40			Advances certified for third quarter of fiscal year 1939-40		
	Old-age assistance	Aid to dependent children	Aid to the blind	Old-age assistance	Aid to dependent children	Aid to the blind	Old-age assistance	Aid to dependent children	Aid to the blind
	\$55,230.7	\$8,529.5	\$1,401.8	\$54,891.2	\$9,024.4	\$1,401.8	\$59,472.0	\$14,053.2	\$1,702.3
Alabama	178.9	52.9	3.2	230.3	80.6	7.1	297.7	147.0	10.6
Alaska	48.7	(1)	(1)	47.5	(1)	(1)	52.6	(1)	(1)
Arizona	304.2	99.0	13.3	358.9	82.8	14.2	359.6	125.4	14.4
Arkansas	189.0	43.6	8.9	187.8	41.2	7.6	157.2	64.4	7.5
California	5,989.8	413.6	314.7	6,024.7	467.1	313.3	7,893.3	875.8	448.7
Colorado	1,595.3	165.8	27.2	1,446.7	143.7	25.2	2,087.7	266.0	28.6
Connecticut	658.5	(1)	6.6	684.3	(1)	5.0	733.0	(1)	8.5
Delaware	44.4	14.7	(1)	46.6	18.0	(1)	46.0	28.3	(1)
District of Columbia	131.9	42.8	8.9	133.7	32.0	8.5	134.1	49.9	8.5
Florida	678.0	73.3	45.2	701.4	57.7	44.1	628.3	118.3	45.5
Georgia	264.6	75.3	13.6	266.3	81.5	13.7	364.3	152.7	21.0
Hawaii	34.0	39.0	1.4	29.0	32.3	1.4	13.5	25.0	1.8
Idaho	263.5	75.0	10.2	270.3	75.0	9.1	299.1	122.5	10.0
Illinois	4,156.2	(1)	(1)	4,231.2	(1)	(1)	4,491.1	(1)	(1)
Indiana	1,738.3	450.1	77.5	1,789.5	480.2	76.1	1,820.4	737.2	81.7
Iowa	1,617.6	(1)	47.6	1,669.6	(1)	53.0	1,738.6	(1)	54.6
Kansas	693.2	176.5	30.5	731.2	176.5	32.8	787.6	281.9	41.2
Kentucky	609.1	(1)	(1)	614.8	(1)	(1)	616.7	(1)	(1)
Louisiana	474.7	320.4	19.3	497.4	354.6	20.2	683.9	613.1	28.6
Maine	397.5	49.8	44.5	437.6	50.2	42.5	439.9	77.3	42.7
Maryland	483.7	293.4	22.2	493.6	273.3	21.4	498.5	410.5	25.5
Massachusetts	3,396.5	313.5	40.1	3,405.4	373.6	37.3	3,690.3	614.6	44.3
Michigan	2,149.8	448.8	27.6	1,875.3	410.9	26.2	1,968.5	1,059.5	34.8
Minnesota	2,250.1	253.3	31.3	2,185.6	253.2	33.0	2,111.3	380.7	39.8
Mississippi	227.8	(1)	5.8	232.6	(1)	7.2	237.7	(1)	8.5
Missouri	2,259.0	195.9	(1)	2,227.2	226.4	(1)	2,363.8	408.0	(1)
Montana	354.2	67.5	5.0	348.4	55.6	4.8	338.4	100.5	6.3
Nebraska	643.2	120.2	19.6	633.9	129.2	15.5	816.5	276.8	19.5
Nevada	89.2	(1)	(1)	93.4	(1)	(1)	95.7	(1)	(1)
New Hampshire	162.2	19.7	10.9	162.3	19.6	10.9	158.4	29.0	11.2
New Jersey	927.9	344.5	22.7	928.9	219.3	23.1	985.8	512.9	26.8
New Mexico	69.9	39.7	4.6	80.9	39.6	5.0	93.0	74.1	6.1
New York	3,887.9	1,107.7	91.7	4,026.4	1,354.2	100.1	4,228.8	1,744.6	117.9
North Carolina	578.4	146.4	47.9	560.3	144.7	44.5	504.1	271.5	51.9
North Dakota	213.6	72.2	2.9	233.5	63.3	3.5	171.7	72.5	3.8
Ohio	4,046.0	380.6	111.4	4,236.4	320.9	94.7	4,426.7	645.3	137.1
Oklahoma	1,922.5	216.7	53.5	2,077.2	253.3	57.7	1,916.0	342.9	47.3
Oregon	614.4	56.4	16.6	670.3	58.4	16.6	739.0	117.7	19.4
Pennsylvania	2,630.1	1,227.0	(1)	2,527.1	1,437.4	(1)	3,343.0	1,332.0	(1)
Rhode Island	196.0	42.8	1.6	201.6	46.8	1.6	207.9	68.9	1.7
South Carolina	307.5	62.8	14.5	306.7	68.9	15.7	281.2	119.3	17.9
South Dakota	306.9	(1)	6.5	363.8	(1)	6.4	447.5	(1)	6.2
Tennessee	524.2	199.5	28.2	649.6	191.8	28.0	666.8	434.6	27.8
Texas	2,669.5	(1)	(1)	1,630.3	(1)	(1)	1,124.4	(1)	(1)
Utah	440.5	107.7	6.8	458.4	103.0	8.1	458.4	174.9	9.3
Vermont	123.4	14.8	5.1	131.8	15.4	4.9	135.4	0	0
Virginia	194.3	48.3	12.6	232.7	41.7	17.5	250.3	62.5	27.2
Washington	1,324.8	161.2	45.2	1,370.7	160.5	45.5	1,343.7	256.9	46.7
West Virginia	346.7	139.3	21.6	352.0	149.4	21.3	345.0	248.5	22.8
Wisconsin	1,610.4	352.1	66.9	1,686.5	406.7	71.7	1,752.3	574.0	84.8
Wyoming	119.9	25.7	6.2	109.8	24.0	5.9	118.2	35.8	6.8

<sup>1</sup> This table is not comparable to tables showing amount of obligations incurred for payments to recipients, which include payments to recipients from Federal, State, and local funds but exclude administrative expense.

<sup>2</sup> No plan approved by the Social Security Board for period covered in this column.

<sup>3</sup> Advances authorized for Hawaii as follows had not been certified as of Feb. 29: old-age assistance, \$10,200; aid to dependent children, \$30,200; aid to the blind, \$600.

Source: Social Security Board, Bureau of Accounts and Audits.

Table 7.—Federal grants to States for administration of unemployment compensation laws and State employment services: <sup>1</sup> Advances authorized and certified <sup>2</sup> by the Social Security Board to the Secretary of the Treasury for first, second, and third quarters of the fiscal year 1939-40 as of Feb. 29, 1940

[In thousands]

State	Under Social Security Act			Under Wagner-Peyser Act				
	Certifications		Authorizations, 6-month period January- June 1940	Certifica- tions, third quarter	Apportion- ments authorized, fiscal year	Certifications		
	First quarter	Second quarter				First quarter	Second quarter	Third quarter
Total	\$19,908.8	\$10,610.7	\$28,204.4	\$14,369.0	\$3,246.2	\$794.4	\$830.1	\$348.0
Alabama	152.4	143.6	293.0	157.4	69.4	16.3	16.3	18.0
Alaska	13.0	10.4	21.6	10.1	10.1	2.5	2.5	2.9
Arizona	126.0	(*)	118.8	65.6	11.4	3.1	3.4	3.7
Arkansas	195.8	(*)	188.7	103.9	48.6	11.2	11.2	12.5
California	1,081.8	1,022.7	2,056.2	1,130.8	148.9	37.0	37.3	41.1
Colorado	224.2	(*)	219.2	120.9	27.2	6.3	6.3	8.1
Connecticut	595.5	(*)	677.5	455.8	42.1	11.5	11.5	16.7
Delaware	53.7	52.6	52.1	51.1	10.5	3.2	3.2	3.2
District of Columbia	248.5	(*)	242.8	124.9	(*)	(*)	(*)	(*)
Florida	303.7	(*)	290.1	159.8	38.5	8.9	9.4	10.2
Georgia	202.6	195.7	401.8	216.4	76.3	18.8	18.8	20.7
Hawaii	37.4	34.4	38.6	36.7	10.7	3.8	3.8	3.8
Idaho	134.7	(*)	130.0	71.7	11.7	2.9	2.9	3.3
Illinois	910.2	707.9	1,749.3	849.6	200.1	46.2	46.2	50.8
Indiana	946.2	(*)	869.4	475.4	84.9	21.0	21.0	23.8
Iowa	329.8	(*)	330.1	181.9	64.8	17.6	17.6	19.4
Kansas	196.9	(*)	218.7	120.5	49.3	15.0	15.0	16.5
Kentucky	203.0	177.2	379.2	198.7	68.6	18.0	18.8	17.2
Louisiana	375.8	(*)	378.3	208.2	55.1	12.7	12.7	14.1
Maine	232.6	(*)	237.4	130.8	20.9	5.0	5.0	5.2
Maryland	453.1	(*)	215.1	215.1	42.8	10.0	10.0	10.0
Massachusetts	908.4	771.6	1,566.3	778.5	111.5	26.1	25.4	28.8
Michigan	911.6	695.7	252.0	504.0	127.0	32.4	32.1	22.0
Minnesota	310.0	283.4	306.4	257.4	67.2	15.5	15.7	15.6
Mississippi	92.5	84.4	88.4	82.9	52.7	12.2	12.2	12.2
Missouri	373.8	348.2	705.0	388.3	95.2	27.5	27.5	30.4
Montana	89.8	66.2	134.1	31.8	14.1	3.3	1.9	3.6
Nebraska	183.3	(*)	177.6	97.8	36.1	8.3	9.5	10.2
Nevada	39.4	35.1	75.7	38.9	10.2	2.5	2.5	2.9
New Hampshire	148.5	(*)	155.6	85.8	12.2	3.8	3.8	4.2
New Jersey	671.9	643.7	1,387.3	730.3	106.0	24.5	27.2	30.0
New Mexico	51.2	37.5	102.8	53.8	11.1	2.6	2.8	3.3
New York	2,269.5	1,931.9	4,085.4	1,967.1	330.2	76.2	76.2	84.0
North Carolina	518.9	(*)	512.4	282.0	83.2	21.7	21.7	23.8
North Dakota	86.2	(*)	98.2	54.1	17.9	4.1	4.1	4.7
Ohio	752.5	614.1	1,480.7	694.7	174.3	40.3	54.9	43.9
Oklahoma	328.2	(*)	330.9	182.2	62.8	14.8	14.8	16.3
Oregon	162.1	166.8	321.5	164.8	25.0	7.5	5.8	6.6
Pennsylvania	663.5	1,613.8	3,141.6	617.3	232.6	58.3	77.7	34.2
Rhode Island	172.6	171.0	155.7	152.1	18.0	4.2	4.6	4.6
South Carolina	148.5	130.0	257.9	135.0	45.6	10.5	10.5	11.7
South Dakota	54.1	(*)	86.0	34.6	18.2	4.2	4.2	3.5
Tennessee	205.1	195.9	416.1	221.8	68.6	15.8	15.8	23.5
Texas	1,050.5	(*)	1,038.6	571.4	152.8	42.7	42.7	53.9
Utah	149.0	(*)	148.9	82.1	13.3	3.1	3.1	3.5
Vermont	94.2	(*)	98.8	54.5	10.7	2.5	2.5	2.9
Virginia	419.3	(*)	433.5	238.6	63.5	15.1	15.1	16.7
Washington	225.3	203.2	443.2	208.3	41.0	11.2	10.0	19.9
West Virginia	463.0	(*)	487.6	268.4	45.4	11.3	11.3	12.5
Wisconsin	276.9	237.4	521.1	261.7	77.1	19.2	19.3	21.3
Wyoming	47.0	36.4	57.2	30.5	10.5	2.5	2.5	2.5

<sup>1</sup> Excludes State and local appropriations to employment service.

<sup>2</sup> Advances are certified by the Social Security Board to the Secretary of the Treasury for a specified period of operation which is not necessarily the period in which certification is made.

<sup>3</sup> Apportionment of \$3 million and reapportionment of unexpended balances of \$246,165, authorized in accordance with secs. 5 and 6 of Wagner-Peyser Act.

<sup>4</sup> Includes some certifications which cover first 6 months of fiscal year.

<sup>5</sup> Some authorizations cover only third quarter of fiscal year.

<sup>6</sup> Grants were certified for first 6 months of fiscal year.

<sup>7</sup> Includes certifications by the Social Security Board to the Secretary of the Treasury for payment into the railroad unemployment insurance account in accordance with sec. 13 (d) and (f) of the Railroad Unemployment Insur-

ance Act. The Connecticut State law does not provide for authorization by the State to the Secretary of the Treasury to transfer funds from the State account in the unemployment trust fund to the railroad unemployment insurance account in the unemployment trust fund. In accordance with sec. 13 (e) of the Railroad Unemployment Insurance Act, therefore, Connecticut withdraws from the unemployment trust fund amounts necessary for administrative expenses under the unemployment compensation law.

<sup>8</sup> The District of Columbia employment service is maintained directly by the Bureau of Employment Security, and funds for this purpose are included in the total administrative funds of the Bureau of Employment Security.

Source: Social Security Board (authorizations and apportionments), Bureau of Accounts and Audits (certifications).

On the basis of Treasury checks cashed, total expenditures under the Social Security Act for January were \$40.9 million. The figures for January in previous years, excluding transfers to the old-age reserve account, have been: 1937, \$20.6 million; 1938, \$45.3 million; 1939, \$32.5 million.

The increase of 11.1 percent in total grants for the 7 months of the current fiscal year over the corresponding period of the previous fiscal year is offset to some extent by a decrease of about 3.0 percent in administrative expenditures under the act. The largest proportionate increase, shown on table 5, is \$6.4 million or 35.7 percent more

than in the previous comparable period for aid to dependent children. Transfers to the old-age and survivors insurance trust fund, which appear as expenditures, are higher than transfers to the old-age reserve account for the comparable period last year, even though, because of the changes in the act, no transfer was made in January 1940.

The amounts of Federal grants to each State certified by the Social Security Board to the Treasury for the three public-assistance programs and for the administration of unemployment compensation and employment services for the first, second, and third quarters of the fiscal year

Table 8.—Social security and railroad retirement receipts, expenditures, and issues and total Federal receipts, expenditures, and debt, by fiscal years 1937-39, and by months, January 1939-January 1940

[In millions]

Fiscal year and month	General and special accounts										Trust accounts, etc., <sup>1</sup> excess receipts (+) or expenditures (-)	Change in general fund balance	Public debt					
	Receipts of Federal Government				Expenditures <sup>2</sup> of Federal Government								Total	Old-age and survivors insurance trust fund	Unemployment trust fund	Railroad retirement account	All other	
	Total	Social security taxes <sup>3</sup>	Taxes under the Carriers Taxing Act	All other	Total	Under the Social Security Act	Transfers to old-age and survivors insurance trust fund <sup>4</sup>	Administrative expense and grants to States <sup>5</sup>	Transfers to railroad retirement account	Administrative expense	All other	Excess receipts (+) or expenditures (-)						
Total, 1936-37	\$5,294	\$252	(6)	\$5,042	\$8,442	\$183	\$265	\$1	.....	\$7,903	-\$3,149	+\$374	-\$128	\$36,425	\$267	\$312	.....	\$35,846
Total, 1937-38	6,242	604	\$150	5,488	7,626	291	387	3	\$146	6,799	-1,384	+\$306	-338	37,165	662	872	\$86	35,565
Total, 1938-39	5,668	631	109	4,928	9,210	342	503	3	107	8,255	-3,542	+\$800	+\$622	40,440	1,177	1,267	67	37,929
7 months ending:																		
January 1938	3,511	377	93	3,041	4,223	185	290	2	107	3,639	-712	+\$80	+\$396	37,453	554	649	60	36,190
January 1939	3,235	321	54	2,860	5,197	206	242	2	89	4,658	-1,962	+\$212	+\$717	39,631	804	1,074	77	37,586
January 1940	3,050	362	58	2,639	5,460	227	268	1	87	4,877	-2,402	+\$175	-\$556	42,110	1,435	1,537	77	39,061
1939																		
January	308	42	1	265	693	33	37	(6)	2	621	-385	+\$30	-151	39,631	894	1,074	77	37,586
February	417	154	27	236	662	26	50	(6)	0	586	-245	+\$428	+\$410	39,859	944	1,185	77	37,653
March	737	4	(6)	733	870	23	50	(6)	18	779	-133	+\$52	+\$46	39,985	994	1,185	77	37,729
April	268	30	(6)	238	785	37	55	(6)	0	663	-517	+\$93	-\$46	40,063	1,044	1,172	77	37,770
May	397	118	6	273	744	32	50	(6)	(6)	662	-348	+\$9	-\$119	40,282	1,094	1,280	67	37,841
June	613	4	21	588	951	17	56	(6)	(6)	878	-339	+\$25	-\$86	40,440	1,177	1,267	67	37,929
July	308	35	1	272	807	43	43	(6)	22	699	-499	-\$113	-\$91	40,661	1,220	1,233	69	38,119
August	420	115	4	301	822	36	48	(6)	18	720	-402	-\$44	-\$216	40,891	1,263	1,382	77	38,169
September	719	3	24	692	784	20	48	(6)	7	714	-65	+\$46	-\$53	40,858	1,306	1,363	77	38,112
October	322	34	1	287	764	45	43	(6)	10	666	-442	-\$1	-\$264	41,036	1,349	1,370	77	38,240
November	407	125	4	278	691	24	43	(6)	10	614	-284	+\$267	+\$252	41,305	1,392	1,512	77	38,324
December	569	5	23	541	880	20	48	(6)	10	802	-311	-\$16	+\$311	41,942	1,435	1,509	77	38,921
1940																		
January	315	45	(6)	270	712	41	.....	(6)	10	661	-398	+\$37	-\$194	42,110	1,435	1,537	77	39,061

<sup>1</sup> Titles VIII and IX (except sec. 904) of the Social Security Act were repealed and reenacted as ch. 9, subchs. A and C, respectively, of the Internal Revenue Code approved Feb. 10, 1939. Amendments to the Social Security Act, approved Aug. 10, 1939, permit citation of subchs. A and C as "Federal Insurance Contributions Act" and "Federal Unemployment Tax Act," respectively.

<sup>2</sup> Excludes public-debt retirement. Based on checks cashed and returned to the U. S. Treasury.

<sup>3</sup> Excludes funds for vocational rehabilitation program of the Office of

Education and for administration and research in the U. S. Public Health Service. See table 5, footnote 1.

<sup>4</sup> Represents transactions formerly under old-age reserve account.

<sup>5</sup> Includes all trust accounts, increment resulting from reduction in weight of the gold dollar, expenditures chargeable against increment on gold (other than retirement of national bank notes), and receipts from seigniorage.

<sup>6</sup> Less than \$500,000.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

1939-40 are shown in tables 6 and 7. Grants for public assistance are authorized by the Board on a quarterly basis, and funds are certified to the States either monthly or quarterly.

Grants for administration of unemployment compensation are no longer made on the basis of separate accounts for unemployment compensation and employment services. The combined figures are, however, completely comparable to the two items previously published. Figures for grants under the Wagner-Peyser Act and grants under the Social Security Act are still given separately. The Board approves budgets for the administration of unemployment compensation and the employment services for all States on a semiannual basis, whereas cash advances are certified quarterly, except during January, February, and March 1940, when certifications were made monthly.

#### ***Receipts and Expenditures***

Federal unemployment taxes accounted for 30.5 percent of the \$44.8 million of social security taxes

collected during January, representing payments on the 1939 pay rolls. The bulk of these collections, due on January 31, will be recorded with February receipts. Social security taxes for the 7 months of the current fiscal year were considerably higher than for the corresponding period of 1938-39 and represented 11.8 percent of total Federal receipts, in contrast to 9.9 percent last year.

Expenditures under the Social Security Act during January constituted only 5.8 percent of all Federal expenditures, in contrast to 10.1 percent last January, a difference due largely to the fact that no transfers to the old-age and survivors insurance trust fund (formerly the old-age reserve account) were made during the month.

Total Federal expenditures this January exceeded those of last year by \$19 million and exceeded Federal receipts during the month by \$398 million. This excess was reflected in the \$168 million rise in the public debt and the \$194 million decline in the general-fund balance from the previous month.

# RECENT PUBLICATIONS IN THE FIELD OF SOCIAL SECURITY

## GENERAL

BOWEN, HOWARD R. *English Grants-in-Aid; A Study in the Finance of Local Government*. Iowa City: University of Iowa, June 15, 1939. 156 pp. (University of Iowa Studies: Studies in Social Science, Vol. XI, No. 1. New Series No. 375.)

A "discussion of the fundamental and underlying problems of local government finance," with emphasis on the following questions: "(1) To what extent do the English grants-in-aid affect the distribution among income classes of the burden of local government costs? (2) Upon what basis are the English grants apportioned among the recipient local authorities, and what are the fiscal, economic, and social results of this apportionment? (3) What general principles can be devised for the apportionment of grants among local authorities? (4) Does the English experience indicate the efficacy of grants-in-aid as a means of stimulating local authorities to undertake activities which they would otherwise be disposed to neglect?"

CHEN, ARTHUR S. Y. "Social Significance of Old Age." *Sociology and Social Research*, Los Angeles, Vol. 23, No. 6 (July-August 1939), pp. 519-527.

ELLINGTON, FRANK. ". . . 'A Two Cent Stamp and an Annuity, Please' . . ." *The Spectator*, Philadelphia, Vol. 144, No. 3 (Feb. 1, 1940), pp. 6-10 ff.

ERNST, CHARLES F. *The Significance of Social Security*. [Olympia:] Washington State Department of Social Security, September 1939. 9 pp. Processed. (Reprint No. 13.)

JOHNSON, HOLGAR J. "Three Points of Difference; Further Discussion of the Proposed Sale of Government Annuities." *The Spectator*, Philadelphia, Vol. 144, No. 3 (Feb. 1, 1940), pp. 11 ff.

MCNUTT, PAUL V. "American Way to Security." *Think*, New York, Vol. 6, No. 1 (January 1940), pp. 9-11 ff.

The meaning of social security and the functions of the Federal Security Agency. Includes many photographic illustrations.

MEYERS, ALBERT L. *Modern Economic Problems*. New York: Prentice-Hall, Inc., 1939. xiv, 311 pp.

Includes chapters on Shifting and Incidence of Taxation, and Social Security.

SMITH, A. DELAFIELD. "Social Security and the Alien." *Interpreter Releases* (Foreign Language Information Service), New York, Vol. 16, No. 30 (June 26, 1939), pp. 268-280. Processed. (Series C: Ethnic Contributions, No. 3.)

"Social Security for Agricultural Laborers." *American Federationist*, Washington, Vol. 47, No. 2 (February 1940), pp. 151-155.

A criticism of the broadened definition of agricultural labor under the Social Security Act Amendments of 1939, with arguments in support of H. R. 7935, which is "designed to amend the definition . . . so that the workers employed by industrial or semi-industrial farms and other workers whose jobs are only distantly connected with farming, may have the protection to which they should be entitled."

SOCIAL WORK PUBLICITY COUNCIL. *Publicity and Research. I. As the Publicity Worker Sees It*, by Zilpha C. Franklin. *II. As the Researcher Sees It*, by Irving Weissman. New York: Social Work Publicity Council, 1939. 8 pp. (Reprint from *Channels*, September 1939.)

U. S. BUREAU OF THE CENSUS. *State Revenues From Federal and Local Grants-in-Aid, by States, 1937; With Comparative Data for Selected Prior Years*. Washington: U. S. Bureau of the Census, August 30, 1939. 8 pp. Processed. (Summary of Finances of State Governments, 1937, No. 12.)

## OLD-AGE AND SURVIVORS INSURANCE

BROWN, J. DOUGLAS. "Economic Aspects of Social Security Against Life Hazards." *American Labor Legislation Review*, New York, Vol. 30, No. 1 (March 1940), pp. 33-39.

After comparing the present United States method of financing old-age and survivors benefits with contrasting proposals, Professor Brown indicates some probable results of the Nation-wide benefits upon geographic and industrial mobility among both retired and active workers.

"Changes in Old-Age Insurance." *American Federationist*, Washington, Vol. 47, No. 2 (February 1940), pp. 156-160.

An informal dialogue prepared by the Education Committee of the Baltimore Federation of Labor to explain the current provisions of the Social Security Act concerning old-age and survivors insurance.

LINTON, M. ALBERT. *The Federal Old Age Security Program and Its Relation to Our Business*. Chicago: Association of Life Agency Officers and Life Insurance Sales Research Bureau, 1939. 14 pp. (File No. 051.)

Comment on the revised program of old-age and survivors insurance, with cost estimates, tables on earnings of workers under the program, and a discussion of the function of social insurance, including the value of the contributory principle.

"Social Security Plans for Obtaining Proof of Death." *The Registrar* (U. S. Bureau of the Census), Washington, Vol. 5, No. 1 (Jan. 15, 1940), pp. 1 ff. Processed.

## EMPLOYMENT SECURITY

**ARKANSAS. STATE BOARD FOR VOCATIONAL EDUCATION. TRADE AND INDUSTRIAL AND DISTRIBUTIVE EDUCATION DIVISION.** *Report of a Survey of Business Occupations in Eighteen Arkansas Towns.* Fayetteville, August 1939. 34 pp. Processed.

**ATKINSON, H. C.** "New Benefit Formula Based on Sound Insurance Principles Needed." *Compensator-Broadcast* (Ohio Bureau of Unemployment Compensation), Columbus, Vol. 2, No. 7 (October-December 1939), pp. 3 ff.

"Board of Review Receives 1,707 Appeals in First Eight Months." *Compensator-Broadcast* (Ohio Bureau of Unemployment Compensation), Columbus, Vol. 2, No. 7 (October-December 1939), pp. 12-13 ff.

**DOUCET, J. V.** "Local Claims Advisers in Colorado." *Employment Security Review*, Washington, Vol. 7, No. 2 (February 1940), pp. 9-11.

The plan whereby the Colorado Department of Unemployment Compensation and Employment Service uses "the nonsalaried services of public-spirited persons in certain selected communities" without employment offices to "act in advisory capacities for the convenience of local residents wishing to file claims" for unemployment benefits.

**DUNNAGAN, M. R.** "Benefit Claims Appeals." *North Carolina Labor and Industry*, Raleigh, Vol. 7, No. 1 (January 1940), p. 3.

**EAGER, GORDON P.** "Organized Study of Employment Security Problems." *Employment Security Review*, Washington, Vol. 7, No. 2 (February 1940), pp. 15-16.

An account of the objectives, program, and method of conducting a conference on employment security problems.

**EMERSON, H. C., and LASCELLES, E. C. P.** *Guide to the Unemployment Insurance Acts.* 5th ed. London, New York, etc.: Longmans, 1939. vii, 292 pp.

A detailed and systematic interpretation of British unemployment insurance laws, not including unemployment assistance. This most recent edition covers the consolidating legislation of 1935, the agricultural scheme of 1936, and the briefer acts of 1938 and 1939. Frequent references are made to decisions of the Umpire and to explanatory leaflets issued by the Ministry of Labour, as well as to Statutory Rules and Orders. The appendixes contain excerpts from the text of the Unemployment Insurance Acts and of regulations and orders.

**GRAY, CHESTER J.** "Negro Applicants and the Employment Service." *Compensator-Broadcast* (Ohio Bureau of Unemployment Compensation), Columbus, Vol. 2, No. 7 (October-December 1939), pp. 17-18.

"New York Organizes to Prevent Merit Rating." *Social Security*, New York, Vol. 14, No. 2 (February 1940), pp. 3-4.

Data on the activities and membership of the recently organized Joint Conference Against Merit Rating in New York. Includes the text of the first statement issued by the Conference.

**NEW YORK STATE. DEPARTMENT OF LABOR. DIVISION OF PLACEMENT AND UNEMPLOYMENT INSURANCE.** *Occupations of Applicants for Work—New York City Active File of New York State Employment Service; September 1939.* Albany and New York, 1939. ix, 52 pp. Processed.

"An occupational inventory of New York City's active file of more than 350,000 work registrants in September, by local office, is summarized in this report," which includes notes on possible administrative uses of the comprehensive statistical data.

**ROUNTRIE, CARL.** "Exhibits at Fairs." *Employment Security Review*, Washington, Vol. 7, No. 2 (February 1940), pp. 12-14.

**RYAN, PHILIP E.** *Migration and Social Welfare; an Approach to the Problem of the Non-Settled Person in the Community.* New York: Russell Sage Foundation, 1940. vii, 114 pp.

A review of migration problems in the United States, with special reference to existing and proposed measures of assistance, social insurance, housing, health, employment, and related services. Includes a classified bibliography of nearly 200 titles.

**STRONG, RALPH.** "Radio as a Means of Promoting Places." *Compensator-Broadcast* (Ohio Bureau of Unemployment Compensation), Columbus, Vol. 2, No. 7 (October-December 1939), pp. 15 ff.

"Unemployment Compensation." (Editorial.) *American Federationist*, Washington, Vol. 47, No. 2 (February 1940), pp. 132-133.

The plan of the American Federation of Labor for liberalizing unemployment compensation.

"Youth Commission's Work Program." *Monthly Labor Review*, Washington, Vol. 50, No. 1 (January 1940), pp. 71-75.

Summarizes portions of the *Program of Action for American Youth*, issued by the American Youth Commission.

## PUBLIC WELFARE AND RELIEF

**AGNEW, IONE H.** "A County-Wide Children's Service." *Welfare Bulletin* (Illinois State Department of Public Welfare), Springfield, Vol. 30, No. 1 (January 1940), pp. 17 ff.

"Aid to Dependent Children in Their Own Homes." *Welfare Bulletin* (Illinois State Department of Public Welfare), Springfield, Vol. 30, No. 1 (January 1940), pp. 17-18.

Advocates legislation to enable Illinois to participate in Federal grants for aid to dependent children.

**CATAPUSAN, BENICIO T.** "Filipino Immigrants and Public Relief in the United States." *Sociology and Social Research*, Los Angeles, Vol. 23, No. 6 (July-August 1939), pp. 546-556.

**CHICAGO RELIEF ADMINISTRATION.** *Unattached Non-Resident Men; A Study of 450 Non-Domiciled, Unattached,*

*Non-Resident Men Twenty-Five Years of Age and Over Who Applied for and Received Relief From the Chicago Relief Administration Between September 1, 1938 and January 15, 1939.* Chicago, 1939. 60 pp. Processed.

The results of the study, with summaries of the findings of other surveys in this field.

*"Determining Administrative Costs by Program."* *Louisiana Public Welfare Statistics*, Baton Rouge, Vol. 2, No. 11 (November 1939), pp. 3-4.

**EDWARDS, MRS. RUTH.** "Food Stamp Plan in Jefferson County." *Alabama Social Welfare*, Montgomery, Vol. 5, No. 1 (January 1940), pp. 19-20.

**EMCH, DONOVAN F.** "Toledo, Taxes, and Relief." *National Municipal Review*, Worcester, Mass., Vol. 29, No. 1 (January 1940), pp. 6-13.

*"Fourth Annual Round Table Conference."* *Public Welfare News*, Chicago, Vol. 7, No. 12 (December 1939), pp. 1-23. Processed.

A summary of the proceedings of the American Public Welfare Conference held last December in Washington. Includes excerpts from an address by Paul V. McNutt, and abstracts from the following round tables and panels: Relief and Related Services; Medical Care Administration; Supervision; Merit Systems for Social Security; Administrative Expenses for Public Assistance; Public Relations; and Child Care and Public Assistance.

**GOLD, NORMAN LEON.** "The Food Stamp Plan." *Agricultural Situation* (U. S. Bureau of Agricultural Economics), Washington, Vol. 23, No. 12 (December 1939), pp. 18-20.

**MAGEE, ELIZABETH.** "On the Front Page." *The Compass*, Albany, Vol. 21, No. 5 (February 1940), pp. 3-4.

Summarizes the work of the Cleveland Chapter of the American Association of Social Workers in interpreting the Cleveland winter relief crisis to the public. The same issue also has an editorial on the subject and a reprint of Samuel Grafton's column in the *New York Post* for January 30, dealing with the "human side of the relief crisis."

**MASSACHUSETTS. DEPARTMENT OF PUBLIC WELFARE.** *Proceedings of Institute for Supervisors and State Social Workers in the Division of Aid and Relief . . . Boston, July 17-28, 1939.* Boston, 1939. 277 pp. Processed.

The Massachusetts Department of Public Welfare changed its field program in 1939 "from direct visitation to state aided cases to a supervisory relationship with local boards of public welfare. This necessitated reorganizing its field staff, making the workers responsible for supervising all three categories of public assistance." The full proceedings of the Institute constitute a comprehensive account of the reorganization plan, including statutory authority at all levels; the administration of public assistance in the State; local operations, including supervision and accounting; local, county, State, and Federal resources for administering public assistance; family budgets; and a directory of the subdivision of supervisory service in the Department's Division of Aid and Relief.

"*Medicolegal Abstracts: Blindness: Constitutionality of Act for Relief of Blind.*" *Journal of the American Medical Association*, Chicago, Vol. 114, No. 5 (Feb. 3, 1940), p. 437.

Notes on the case of *Proffit v. Christian County (Ill.)*, 19 N. E. (2d) 345, concerning the appeal of an Illinois county to the State supreme court. In reply to the suit of 90 plaintiffs for unpaid blind-relief benefits, the county filed a motion to dismiss the complaint "on the ground that the act for relief of the blind was unconstitutional, that none of the plaintiffs had any vested right to the fund and had no right at law to sue for the same but that the provisions of the act were for a gift only, the payment of which was voluntary and not mandatory." The supreme court upheld the decree of the trial court that the act was valid.

**NORTH DAKOTA. PUBLIC WELFARE BOARD.** *The Relief Problem Confronting North Dakota in the Winter of 1939-1940.* By the Committee appointed by the Work Projects Administration, the Farm Security Administration, and the North Dakota Public Welfare Board. Bismarck, October 5, 1939. 23 pp. Processed.

**PENNSYLVANIA. DEPARTMENT OF PUBLIC ASSISTANCE.** *Report on Aliens Receiving Public Assistance in Pennsylvania.* Harrisburg, May 5, 1939. 14 pp. Processed.

**PRICKETT, VIRGINIA.** "Why Relief in Jackson County?" *West Virginia Public Assistance Journal*, Charleston, Vol. 2, No. 5 (December 1939), pp. 8-11.

*"Public Relief Review for 1939."* *Public Welfare Bulletin* (North Dakota Public Welfare Board), Bismarck, Vol. 4, No. 12 (December 1939), pp. 2-15. Processed.

The entire issue of this journal, including the article cited, is devoted to a comprehensive review of the various relief and assistance programs in North Dakota. More than 25 tables supplement the analyses.

*"Public Social Work Standards in Alabama."* *Alabama Social Welfare*, Montgomery, Vol. 5, No. 1 (January 1940), pp. 9-10.

**RAND, HAROLD S.** "The Food Stamp Plan Raises an Issue." *National Municipal Review*, Worcester, Mass., Vol. 29, No. 1 (January 1940), pp. 14-17.

**SOUTH CAROLINA. STATE DEPARTMENT OF PUBLIC WELFARE.** *Analysis of Time Study Data From Four Counties.* Columbia, August 1939. 5 pp. Processed.

**TWENTE, ESTHER E.** "Selection and Training of Personnel for Social Work." *Kansas Government Journal*, Lawrence, Vol. 26, No. 2 (February 1940), pp. 12-14.

**WISCONSIN. STATE PENSION DEPARTMENT.** *The Relation of County Homes to the Old Age Assistance Program in Wisconsin.* Prepared by Division of Research and Statistics. Place not given, [1939]. 14 pp. Processed.

From 1935 to 1939 the number of persons receiving old-age assistance in Wisconsin increased from 2,500 to more than 45,000, "with practically no effect on the county home population." The reasons are discussed in this study, which includes several statistical tables.

## HEALTH AND MEDICAL CARE

### AMERICAN ASSOCIATION OF MEDICAL SOCIAL WORKERS.

*Papers Given at the Meetings of the American Association of Medical Social Workers, Buffalo, New York, June 1939.* Menasha, Wis., 1939. 88 pp.

The following papers are included in this collection: The Philosophy of Medical Social Work Under Public Auspices, by Edith M. Baker; The Medical Social Worker in the Social Security Program, by Lucille M. Smith; The Practice of Medical Social Work in an Urban Relief Agency, by Edna E. Nicholson; Medical Social Service in a County Health Department, by Zdenka Buben; The Practice of Medical Social Work in a State Welfare Department, by Marjorie Bordelon; Developing Case Work in a Medical Setting—From the Viewpoint of the Functions Study Chairman, by Harriett M. Bartlett; Developing Case Work in a Medical Setting—From the Viewpoint of a Practicing Caseworker, by Catharine Fulghum; Developing Case Work in a Medical Setting—From the Viewpoint of a Supervisor, by Mary L. Poole; Lay Participation and the Social Worker—Experience From a Family Welfare Agency, by Helen W. Hanchette; Lay Participation and the Service—From the Point of View of a Medical Social Worker, by Ida M. Cannon.

COLLINS, SELWYN D. "Cases and Days of Illness Among Males and Females, With Special Reference to Confinement to Bed; Based on 9,000 Families Visited Periodically for 12 Months, 1928-31." *Public Health Reports*, Washington, Vol. 55, No. 2 (Jan. 12, 1940), pp. 47-93.

FALK, I. S. "Statistical Problems in Administration of Health and Disability Insurance." *American Labor Legislation Review*, New York, Vol. 30, No. 1 (March 1940), pp. 21-28.

From a review of statistical requirements for medical-care insurance, temporary disability insurance, and invalidity insurance the author concludes that "the initiation of social insurance in the health field need not wait on the development of new statistical bases. We have all the statistics that are requisite for launching such a program."

"Health Recommendations of the American Youth Congress." *Journal of the American Medical Association*, Chicago, Vol. 114, No. 5 (Feb. 3, 1940), pp. 417-418.

Includes the section on health from *A Program of Action for American Youth*, presenting the recommendations of the American Youth Congress. An editorial in the same issue (pp. 414-415) calls attention to the report and terms it "essentially propaganda for a national health program."

HOLLAND, DOROTHY F. "The Disabling Diseases of Childhood; Their Characteristics and Medical Care as Observed in 500,000 Children in 83 Cities Canvassed in the National Health Survey, 1935-1936. I. Characteristics and Leading Cases." *Public Health Reports*,

Washington, Vol. 55, No. 4 (Jan. 26, 1940), pp. 135-156. "II. Medical and Nursing Care." Vol. 55, No. 6 (Feb. 9, 1940), pp. 227-244.

MURRAY, JAMES E. "The National Health Bill." *American Labor Legislation Review*, New York, Vol. 30, No. 1 (March 1940), pp. 9-16.

"The New Wagner Hospital Bill." (Editorial.) *Journal of the American Medical Association*, Chicago, Vol. 114, No. 6 (Feb. 10, 1940), pp. 490-491.

ROREM, C. RUFUS. *Non-Profit Hospital Service Plans; Historical and Critical Analysis of Group Hospitalization, a Non-Profit, Non-Political Application of the Principle of Insurance to the Purchase of Medical Care*. Chicago: Commission on Hospital Service, American Hospital Association, January 1940. 130 pp.

While not intended as a manual, this summary is detailed and precise in its recommendations for the establishment and successful operation of group hospitalization programs. It is written for administrators or trustees of such plans, and includes chapters on legal aspects, community sponsorship, subscription rates, subscriber and hospital contracts, and organization, accounting, and statistics. Definitions of statistical terms are included in an appendix.

"Two New Health Insurance Plans for Public Employees Established." *News Bulletin of Public Administration Clearing House*, Chicago, January 18, 1940. 1 p. Processed. (Release No. 4.)

Information on the health insurance program of the California State Employees' Association and on the medical-care plan for public-utility employees of Hamilton, Ohio, both of which were established in 1939.

WAGNER, ROBERT F., JR. "Progress Toward Health Insurance." *American Labor Legislation Review*, New York, Vol. 30, No. 1 (March 1940), pp. 17-19.

WISCONSIN. STATE PENSION DEPARTMENT. *Medical Care for Recipients of the Social Security Aids in Wisconsin*. Madison, 1939. 57 pp. Processed.

This study gives the legal bases of medical care for persons receiving public assistance in Wisconsin; describes the five types of plans; analyzes the methods for authorizing and meeting payments for medical care; discusses special aspects of such care, including hospitals, dental care, and nursing; and contains a chapter of evaluation and recommendations on the part of county administrators and medical societies. With statistical tables, forms, and a chart.

WITTE, EDWIN E. "Health Security Progresses." *American Labor Legislation Review*, New York, Vol. 30, No. 1 (March 1940), pp. 5-7.

Arguments for adopting "legislation to give us the sort of a national health program we need to give all Americans real health security."

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